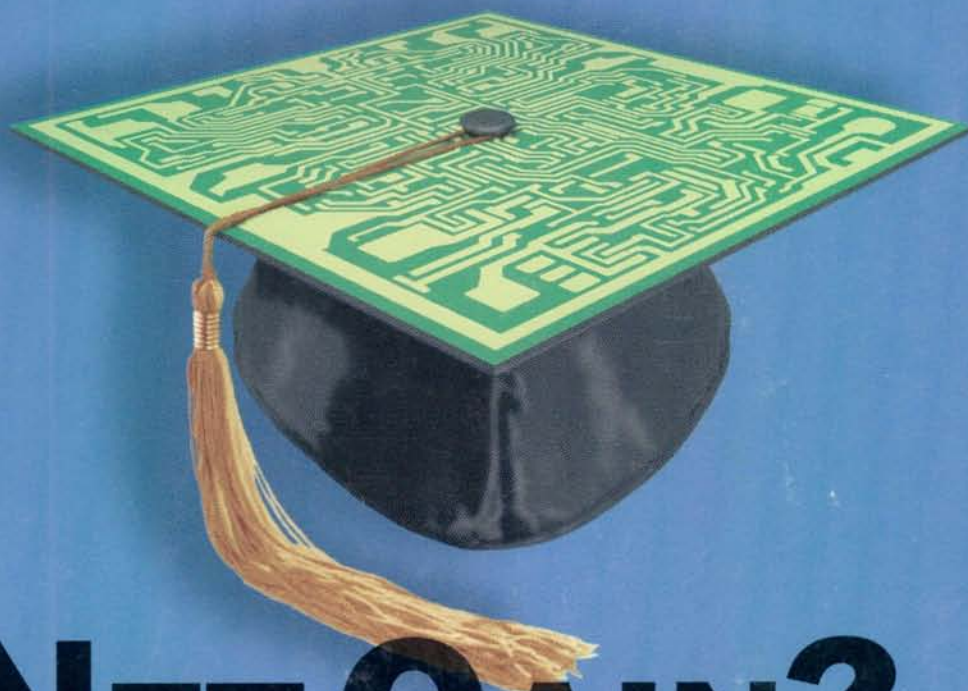


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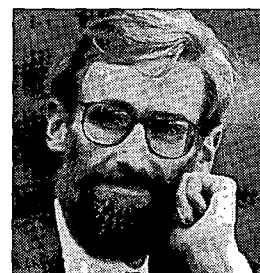
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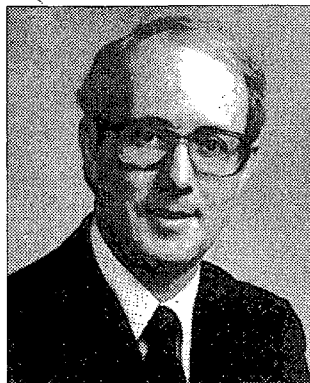


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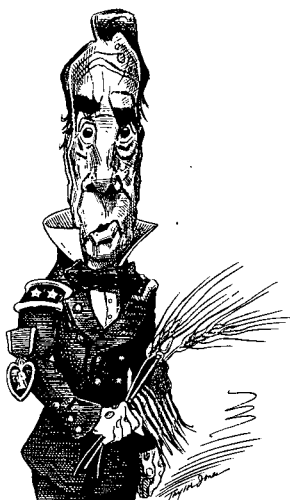
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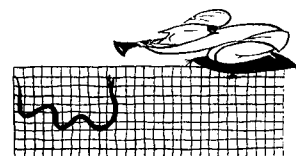
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Andrew M. Sum, Neal Fogg, and Robert Taggart



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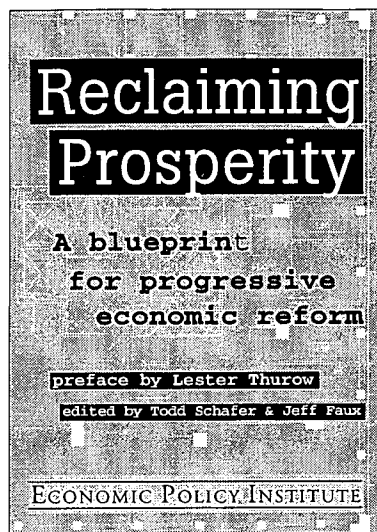
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At no time is there apt to be more talk about young people and the future of America than during an election year. If you tire of the rhetoric, turn to some of the substantive discussion in this issue. At a recent *American Prospect* conference at the Massachusetts Institute of Technology, we explored the significance of new technology for children and learning (see page 52). Three articles first presented at that meeting and now published here in our "Special Report: The New Media and Learning" argue there is enormous progressive potential—but also much danger—in the emerging digital environment. On one side lies the possibility of discovering new ways to realize ideas that educational reformers have long advocated; on the other side lies the dismal experience of television and other media that have ill-served the needs of children. Key decisions being made today will influence how these possibilities unfold.

Two articles in this issue offer a highly positive view of mentoring as a strategy for dealing with the problems of young people. In one of the technology articles, "Computer Clubhouses in the Inner City," Mitchel Resnick and Natalie Rusk describe a new kind of "learning community" that brings together adults and inner-city children to work collaboratively on graphic art and design projects. And in "Social Change One on One," Gary Walker and Marc Freedman analyze the success of the Big Brothers/Big Sisters programs and explore what we need to do to "scale up" mentoring into a major national effort. Like technology in education, mentoring is an area that has great potential for generating support across the political spectrum.

And in yet another article about youth, "The Economics of Despair," Andrew M. Sum, Neal Fogg, and Robert Taggart analyze the dismaying fall in the real wages of young workers of the past two decades and the kinds of policies that would be needed to raise them back up.

Of course, the election itself is also on our minds. In "Drift or Mandate," Walter Dean Burnham puts the 1996 election into a wide historical perspective. And in "Return of the Native," Sidney Blumenthal looks at the isolationism welling up on the right. Even as we talk about America's future in a world of instant global communications, some of the least attractive aspects of our past seem to be coming back.

—Paul Starr

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ROBERT KUTTNER

Taking Care Of Business

Few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their shareholders as possible.

—Milton Friedman, *Capitalism and Freedom*

In a market economy, as Charles E. Lindblom reminded us in *Politics and Markets*, business holds a position of special privilege. It tends to dominate not just the economy, but the polity and the prevailing ideology. Though business lost some of its luster in the excesses of the 1980s, the pendulum did not swing back toward a national mood of greater public-mindedness as Arthur Schlesinger, Jr., had predicted. On the contrary, the prestige of business has come roaring back in the '90s, as the American economy has regained competitive strength globally.

The dynamism of business is taken as simple proof of its virtue. Indeed, the last time business enjoyed such general approbation was nearly a lifetime ago—before the great crash of 1929. That was a decade when a president could declare with a straight face that the business of America is business, and Bruce Barton, in his best-selling 1925 book *The Man Nobody Knows*, could insist that the teachings of Jesus of Nazareth were best interpreted as a marketing text.

Business then entered several decades of well-earned purgatory. Even in the 1950s, when business was back in the saddle politically, it was still very much on the defensive culturally. In the TV sitcoms of that era the fathers were businessmen, though what they actually did was obscure; the office was the place they came home from. They were good providers and vaguely out of it. To be a man in a gray flannel suit was to be a hopeless con-

formist; Arthur Miller's salesman was to be pitied. Auto executive Charles E. Wilson's oft-misquoted declaration in his 1952 Senate testimony for confirmation as Eisenhower's Secretary of Defense—"For years I thought what was good for our country was good for General Motors, and vice versa"—was mostly ridiculed. The 1960s followed.

But in the 1990s, not only is there broad consensus that right-thinking Americans wish General Motors only the very best (and also Microsoft and FedEx); there is also the sense that business is modern, and dynamic, and hip. Making money is hip. Adding value, gaining market share, playing with computers—all very hip. To be a businessman or businesswoman is to be an individualist, not a conformist. You can be entrepreneurial in a racy way, a stodgy way, or in a crunchy way like Ben and Jerry. That's the whole point: Business embodies freedom. Do whatever the hell you like, as long as the customer buys the product. In a recent airline magazine, I read a profile of a man who runs his entire business—computer, fax, e-mail, and all, from his yacht. Very efficient, and very fun.

A new magazine, *Fast Company*, is explicitly targeted at the hip entrepreneur—a kind of *Rolling Stone* for capitalists. In the 1950s, nobody in his right mind would have launched a magazine for hip entrepreneurs. There weren't any. But in the 1990s, the conjuncture of hip and entrepreneurial is not antithetical; it's almost redundant. Analysts wonder whether *Fast Company* will make it—not because it exaggerated its niche, but because it underestimated its competition: All business magazines are hip.

Consider the metamorphosis of the computer as a cultural icon. Thirty years ago, the computer stood for regimentation. It kept draft records, built bombs, and directed sophomores into required courses. The computer was going to make everyone alike. Protesters of that era wore placards: "I am a Berkeley student: Do not fold, spindle, or mutilate." [Note to readers under 40: The early computers used punch cards to sort and tabulate data.] Today, of course, the personal computer is precisely the badge of individualism. Where do you want to go today?

All of this has added up to an ideology articulated in its purest form by theorists such as George Gilder, and embraced in the futurism of Newt Gingrich: The information age expresses and confirms the ideology of Milton Friedman. As Gilder wrote in his 1989 book *Microcosm*, "As the chip

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reorganizes industry and commerce, so it will reorganize the powers of states and nations." The micro-computer dethrones the state, empowers the individual, neuters the bureaucrat, and, perhaps most important, creates the perfectly frictionless economy long imagined by classical economists. In a similar statement, John Naisbitt's *Global Paradox* declares that "As the global economy gets larger, the component parts get smaller." On the Internet, not only does nobody know whether you're a dog, as the famous *New Yorker* cartoon had it. The customer doesn't know, or care, whether you are a Fortune 500 behemoth, or a small start-up, as long as you deliver the goods. Whatever value-added you can bring to the stream of commerce is yours to capture. If you have little to offer, too bad. The result is what Mickey Kaus dubbed meritocratic inequality.

The ostensible rendezvous of microelectronics with free market ideology gives business the presumed social virtue that it has long sought. The result is an ultra-libertarian ideology, attractive to millions of cyber-individualists, who celebrate the new blend of autonomy and connectedness afforded by the Net, and are almost uniformly hostile to regulation and skeptical about the need for a public sector generally. It is only one more facile step to the general equation of private return with social return, and to the claim that whatever a market society needs will be done by private business interests.

But of course, this conclusion elides certain enduring realities about capitalism that have not been repealed by the information age. The first is the problem of externalities, both positive and negative. Free markets still tend to treat the natural environment as a free sink. Nothing in the logic of profit maximizing (or information technology) signals an entrepreneur to incur avoidable costs to clean up air and water, total quality management or no. Nor is the entrepreneur, hip or stodgy, signalled to invest shareholder money in the training of workers as long as trained workers are available on the labor market.

The second is the problem of values. No matter how hard the enthusiasts of the new corporation try to infer social values from the logic of competition itself, markets remain fundamentally amoral; values need to be found elsewhere—and then imposed on corporations lest they overrun everything else we hold dear. While the entrepreneurial life today may be more energizing and uplifting for its big winners (though one suspects that the rob-

ber barons also had a grand time), it does not solve the rest of society's problems, and often exacerbates them. A recent spate of books pointing to cleaner air and water and pooh-poohing environmental cataclysm conveniently ignored the fact that environmental progress was entirely the result of citizen consciousness translated into public regulation, and not at all the result of newly enlightened oil company executives realizing that, as one ad put it, "we have to live here, too."

Intensified competitiveness not only leads to socially beneficial innovation. It also leads the market to invade realms where it doesn't properly belong, creating perverse outcomes that flow from the logic of competition itself. How does a health insurance plan profit-maximize in a fiercely competitive environment? By avoiding insurance contracts with sick people and by creating financial incentives so that sick people get less treatment than they otherwise would claim. To the extent that patients and doctors rebel, the rebellion is based on extra-market principles and values. Competition worsens the perversity. The remedy requires limits on market logic.

At a moment when "competitiveness" is the supreme value, enthusiasts imbue the corporation with universal virtue and conclude logically that corporations will, in the natural course of events, deliver everything that society needs. Elsewhere in this issue, Bernard Avishai ["Social Compact, Version 2.0," page 28] examines the proposition that corporations, whose most important assets are their employees, will therefore logically treat their people with dignity and nurturance. But, as Avishai recounts, the claim just doesn't compute. Corporations may desire a pool of highly skilled employees, but the logic of their situation simply fails to impel them to provide all the education and training that society requires. To discern some logic of enlightened self-interest that would convert corporate executives to educators is a dead end—as policy, as ideology, as politics.

Richard Rothstein likewise examines the new movement of corporate codes of conduct aimed at making American companies take responsibility for the wages and working conditions of their employees or subcontractors in the Third World [see "The Starbucks Solution," page 36]. Rothstein finds the movement mostly disappointing. A set of government rules would be far more effective. If

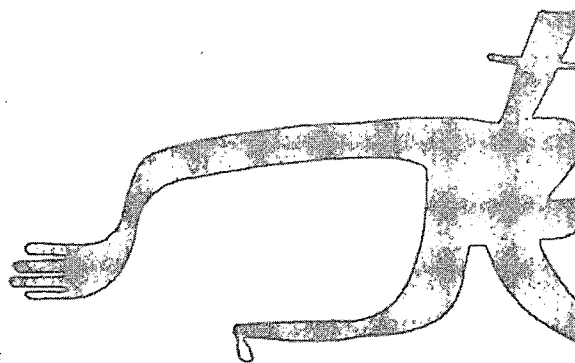
Starbucks worries about Juan Valdez at all, it is the result of external consumer pressures organized politically, and not enlightened corporate self-interest. The occasional corporate executive may bring extra-corporate values to the table (Aaron Feuerstein of Malden Mills became a secular saint for not laying off workers in the dead of winter after his factory burned) but such behavior seldom reflects enlightened competitive self-interest. Feuerstein's was a family business with a lucrative niche product and a strong union. He also had an extra-corporate conscience.

For more than 200 years, social philosophers have been debating whether commerce tends to make society more barbarous or more civil. The best-informed tour guide to this ongoing debate is Professor Albert Hirschman. Hirschman found a text from as early as 1704 that claimed "Through commerce, man learns to deliberate, to acquire manners. . . ." Commerce was said to sweeten man's more brutal tendencies: If people were to have ongoing commercial relations, they couldn't be deceiving and killing each other. But of course the market system has co-existed all too well with wars and swindles.

By now, we should appreciate that business does many things superbly, but has an unfortunate tendency to invade realms where it just doesn't belong. Even in a capitalist society, the value of business is instrumental, not transcendent. The late Arthur Okun, a fully licensed economist, put it well. "The market deserves a place, and . . . it deserves to be kept in its place."

It would be very nice if we could infer from the logic of the market that "it's just good business" for corporations to invest in worker training, provide decent health care, not lay off faithful employees, support communities, devise "family-friendly" workplaces, and make sure that contract workers in wretched corners of the Third World are treated with human dignity, but these are self-defeating dreams. Indeed, the more intensively competitive the commercial environment becomes—the more it reflects market principles—the less likely are corporations to behave humanely. Corporations can add value, but citizens must add values. For the most part, the business sector needs to be dragged kicking and screaming into a social contract. To pretend otherwise is to unilaterally disarm. □

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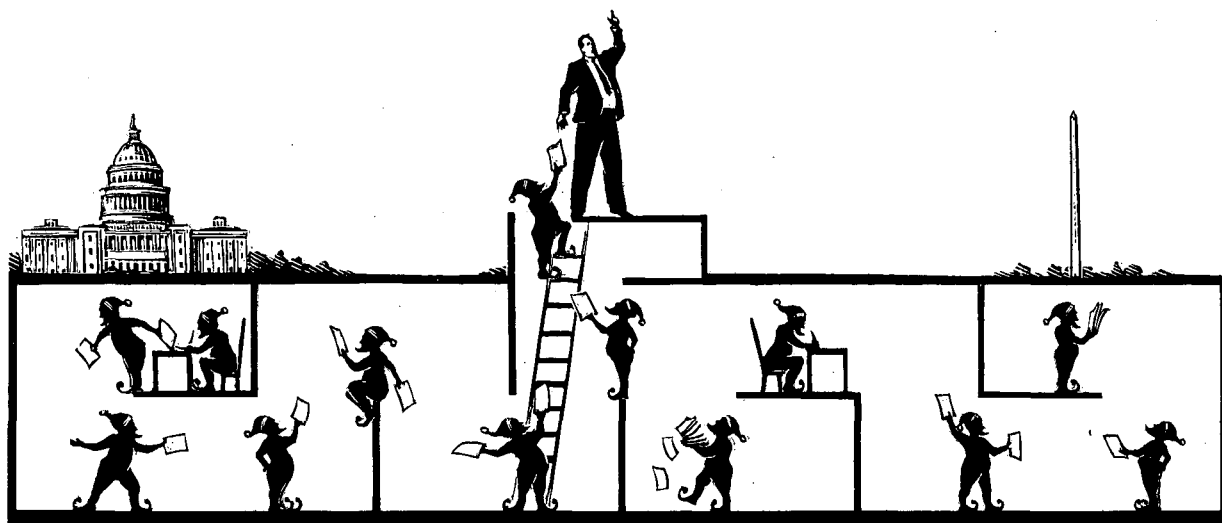
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In a recent address to the Catholic Press Association, **Bob Dole** sketched out a culturally conservative agenda on social issues. But when it came to welfare, Dole, at one point, portrayed teenage mothers with rare charity: “We are just beginning to recognize that perhaps half of the fathers of [their] babies are grown men, 20 years or older. In other words, a central feature of the plague of illegitimacy is older men preying on young girls.”

Of course, Dole and the Republicans haven’t backed away from their fundamental opposition to welfare as an entitlement. But this new bipartisan rhetoric—Dole makes frequent use of the phrase “male sexual predator,” just as **Bill Clinton** talks about teen mothers as victims of older men—suggests one emerging area of convergence in welfare policy that views single

mothers with compassion rather than contempt.

One person who can take some credit is **Kathleen Sylvester**, vice president for domestic policy at the **Progressive Policy Institute** (PPI), a think tank affiliated with the centrist **Democratic Leadership Council** (DLC).

Sylvester, formerly a journalist with National Public Radio and *Governing* magazine, conducted extensive interviews with teen mothers, beginning in 1993. She detected a persistent pattern: The baby’s father wasn’t an adolescent boy but a grown man. Often, too, the girls had been molested earlier in life by older men, usually relatives or family friends. Further research revealed that between three-fifths and two-thirds of all teen mothers had children whose fathers were at least 20 years old.

Sylvester’s work suggested two policy conclusions. If teen mothers were frequently the victims of older men, then punishing them (or hoping to deter pregnancies) by cutting off benefits made less sense. In addition, if adolescent girls were victimized in the homes and neighborhoods where they were growing up, getting young women out of an environment where “male predators” abuse and exploit them should be a high priority, particularly when the mothers are in their early to mid-teens.

Sylvester got herself quoted in the *New York Times*, *Newsweek*, *Time*, and *U.S. News and World Report*, and she even appeared on the Phil Donahue show. Last December, she achieved the policy promoter’s dream: an Oval Office meeting with President Clinton, whom she knew from their days as undergraduates at

Georgetown. The meeting encouraged a shift in the administration's welfare plan, away from requiring teenage mothers to stay at home to creating "second-chance homes," where they can get away from abusive environments, learn parenting skills, and build a foundation for independence. A few months later, Dole's Senate staff asked Sylvester for her findings.

While the idea of second-chance homes is not new, Sylvester's salesmanship has helped push it to center stage. In addition to Clinton's support, it has bipartisan backing from influential Democratic senators including Connecticut's **Joseph Lieberman**, New York's **Daniel Patrick Moynihan**, North Dakota's **Kent Conrad**, plus Republicans Dole and **Phil Gramm**. New Jersey, Massachusetts, Maryland, and Iowa have all passed legislation to create or study second-chance homes.

Sylvester's work shows that the New Democrats at PPI can blend useful social policy with smart politics. But the debate over the minimum wage suggests they can be less reliable guides to the politics of economic issues. In early 1995, when **Robert Reich**, **Ted Kennedy**, and **Richard Gephardt** began a serious push for a higher minimum wage, the Clinton administration got some familiar advice from the DLC's Washington operation. As columnist **Morton Kondracke**,

often an outlet for DLC views, explained in *Roll Call*, "DLC officials think that, if Clinton calls for a minimum-wage increase in the State of the Union—as White House aides indicated he is inclined to do—it could wreak the same political damage as his 1993 vow to veto any health care bill that did not provide universal coverage." In another column Kondracke wrote that support for a wage hike would "brand him [Clinton] as an 'old Democrat'"—the ultimate insult for DLCers.

PPI's vice president for economic policy, **Rob Shapiro**, has spoken and written frequently as a self-described "skeptic" on raising the minimum wage. He prefers investing in job training and raising the earned income tax credit for the working poor. (As Barry Bluestone and Teresa Ghilarducci explained in "Feasible Antipoverty Policy," *TAP*, May-June 1996, the options are not mutually exclusive—they reinforce one another.)

In fact, Clinton did support the minimum-wage increase in the 1995 State of the Union, and backed the wage hike through Congress. No member of the White House economic team opposed raising the minimum wage. In October 1993, then-Treasury Secretary **Lloyd Bentsen**—the most conservative voice within Clinton's inner circle and generally a DLC ally—took two liberal White House staffers aside and said, "I want

you two young fellows to know I've always supported the minimum wage, and I'm for raising it now."

Bentsen's political instincts proved better than the DLC's. The increase has better than 70 percent popular support and shores up Clinton's image among working-class Reagan Democrats, the very group for which the DLC wants to speak. And while the DLC's Washington staff was wary of the increase, its chairman, Senator Joseph Lieberman, backed it.

Clinton's interest in three recent books—**E.J. Dionne's** *They Only Look Dead: Why Progressives Will Dominate the Next Political Era*, **Jacob Weisberg's** *In Defense of Government: The Fall and Rise of Public Trust*, and **James Carville's** *We're Right, They're Wrong*—has been well reported. But according to presidential adviser **George Stephanopoulos**, another book, *The Twilight of Common Dreams: Why America Is Wracked by Culture Wars* by social historian **Todd Gitlin**, was also influential when Clinton was preparing this year's State of the Union address. Clinton even sent Gitlin a complimentary note after reading it. Gitlin, who confirms the note, is somewhat ambivalent about the influence Stephanopoulos attributes to his writing—a fact that may have something to do with the way Clinton interpreted Gitlin's message.

In the book, Gitlin, a historian of the 1960s and an early president of Students for a Democratic Society, calls on liberals and conservatives to stop sparring over symbolic cultural issues in order to create political running room for economic populism. These days, the White House version of cultural detente includes such measures as school uniforms and curfews for teenagers. Gitlin says he is agnostic about uniforms and curfews, but hopes the President will "get tougher on economic issues, such as jobs, wages, and progressive taxation."

One other book that might intrigue the President is *Bum Rap on America's Cities: The Real Causes of Urban Decay* (Prentice-Hall, 1978). The little-known book was written by presidential

strategist **Dick Morris**, back when the politically androgynous Morris was a policy advisor for social service organizations in New York City. Now it reads like a time capsule from the urban liberalism of the 1970s—a time when mayors like New York's **John Lindsay** (who inspired the phrase "limousine liberal") called for massive transfusions of cash for the cities and downplayed middle-class concerns on social issues like crime and welfare.

In *Bum Rap*, Morris argues that the fiscal problems of northeastern cities weren't caused by "permissiveness and liberal social generosity." Instead, Morris fingers culprits ranging from defense policies favoring the Sunbelt, to Medicaid mills and nursing homes that rip off social spending, and lending institu-

tions that redline the inner cities. In short, *Bum Rap* is a book of arguments to use against conservatives, much like his rival James Carville's recent paperback, *We're Right, They're Wrong*. Morris's book is out of print, but the politically nimble Morris, who has advised conservative Republicans like Senate Majority Leader **Trent Lott**, might benefit from re-reading parts of it. In his recent work for Clinton, Morris has shown he recognizes the power of populist economic issues like preserving Medicare. Now, he could reach back 20 years and find some targets that are still worth attacking: private profiteers who enrich themselves from programs designed to benefit the poor.

- David Kusnet

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FRANCES FOX PIVEN

Was Welfare Reform Worthwhile?

There is no question that David Ellwood, the Clinton administration's chief welfare intellectual, has been on a rough ride. But the political lessons he draws are less than useful.

To discuss lessons, we need some agreement about what happened. Ellwood thinks more has been accomplished in the way of reform than most people realize and names among other things the waivers that have allowed state welfare-to-work initiatives. I think Douglas

A reply to David Ellwood, "Welfare Reform As I Knew It," May-June 1996.

Besharov showed the keener judgment when he said at an American Enterprise Institute meeting in April that "Based on what happened in the last year, President Clinton can justifiably claim he has ended welfare as we know it." Besharov points to the veritable flood of state waiver requests and approvals as "welfare reform on the cheap" without an increase in spending for child care or "a penny for job training." The "revolutionary" result is an "end to personal entitlement."

Besharov has reason to crow. State initiatives, including not only time limits but benefit cuts and sharp sanctions for a variety of disapproved behaviors, have already resulted in a 10 percent drop in the welfare rolls, with little known about the fate of these women and children. And this is only the beginning.

Ellwood names other accomplishments he thinks are unrecognized: the expansion of the earned income tax credit, whose future remains uncertain; the prospect of new child support legislation, which in fact would go only a very small way toward reducing the need for welfare. But he says nothing about the uses of the mantra of "welfare reform" to usher in other program cutbacks, such as the massive Medicaid cuts (on the order of \$250 billion over the next seven years in state and federal spending) included in current con-

gressional welfare reform proposals.

Altogether, the results of the Clinton welfare reform venture are calamitous, endangering some 60 years of painfully won poverty reforms. Nevertheless, Ellwood still thinks the Clinton plan made sense, "practically and politically." I suppose this also means the role Ellwood himself played made sense. He seems not to understand that he helped unleash the political maelstrom that is producing escalating welfare cutbacks. And I think the reason he doesn't understand is that his image of the political landscape is so wondrously simple, consisting as it does mainly of "the public" and "the policy reformer." In this world, the reformer pieces together a policy package that includes enough of what the public wants, and success is assured.

This clearly was the model that guided Ellwood's 1989 book, *Poor Support*, which advocated universal medical protection, raising the minimum wage, a comprehensive child support assurance system, guaranteed minimum-wage jobs to ease poverty among female-headed families, and then—to make all of this palatable—a proposal to limit welfare benefits to between 18 months and 3 years. (I remember saying to him at the time that in the real political world, the time limits would survive, and the rest would be brushed aside. I am sorry to have been right.)

The Ellwood model leaves out too much. Public opinion is treated as firm and fixed, when in actuality it is ambiguous and shifting, and often susceptible to elite manipulation, especially on matters like welfare of which most people have little direct knowledge. Ellwood also ignores the historic constraints on welfare policy generated by its bearing on the labor market, which mean that the conditions of people on welfare are unlikely to improve when the terms of low-wage work are deteriorating. And he touches only lightly on the antipathies toward welfare and the

poor etched in American culture. Finally, he ignores the interests in dollars and votes of the political operatives on whom he relies to shepherd reform through the legislative process. In short, Ellwood creates a political world in which there is hardly anything else going on except his reform efforts.

In 1992 the constraints on reform were in fact forbidding. Welfare benefit levels had been falling for two decades, in tandem with declining wages and benefits for the bottom half of the labor force. There were no signs of the widespread protest that had sometimes made the benighted poor a force in the past, and in its absence the women and children on welfare who might have benefited from parts of the Ellwood agenda were politically helpless, scorned for their poverty and marked by the stigma of welfare. Common sense and historical experience suggest this was not the time for academic policy experts to call for time limits on benefits.

Under these conditions, the welfare reform crusade almost inevitably turned into its opposite, as Clinton campaigned on the promise to “end welfare as we know it” with “two years and off to work.” Ellwood fails to appreciate the significance of this rhetoric: Clinton was using the welfare issue not as an opportunity to relieve poverty, but as an opportunity to gain support by inciting popular indignation at welfare. Welfare reform became an argument about why poor women were to blame for so much that was wrong with America. No wonder the administration has been so reluctant to refuse even the most draconian state requests for waivers. After 1994, of course, the Republican Congress quickly snatched back the welfare issue, which the Clinton administration has helped to heat up.

Ellwood thinks the diverse Republican efforts at welfare spending rollbacks, work enforcement, benefit cuts, strict rules, and devolution to the states are contradictory, without “shared conviction.” I think he again misses the point. These policy proposals are not mainly about the design of rational interventions in social life. Rather, they continue, unmodulated by any liberal compunctions, the political strategy begun by Clinton, of pointing to the failures of poor women as an explanation for the cultural ruptures and economic insecurities of contemporary American life.

And real welfare reform is less likely than ever.

DAVID ELLWOOD RESPONDS:

Frances Fox Piven is certainly right in suggesting that the Clinton rhetoric was excessive and that it provided impetus and encouragement to some who favored welfare cutoffs rather than progressive, work-oriented reform—I said so in my article. I would add that the willingness of the President to grant waivers “that he didn’t like” added further momentum.

But Piven goes too far. The President invested virtually all of his political capital in a health plan whose principal theme was ensuring universal coverage. Compared to health care, administration talk about welfare was a tiny blip in 1993 and 1994. Still Piven writes that it was “the mantra of ‘welfare reform’ that was used to usher in . . . Medicaid cuts.” Most political observers I have read believe the failure to enact welfare reform early in the Clinton presidency contributed to the Republican sweep in 1994. Talking about time limits did not lead to the Republican revolution. Nor did it cause Governors Thompson and Engler and others to propose often extreme, yet very popular changes in welfare in their high-benefit, formerly liberal states long before the 1992 election.

Is it Piven’s view that by waiting a few years, the more progressive reforms that she favors would emerge? That was the argument used by welfare rights advocates as they helped defeat both Nixon’s and Carter’s reform plans that look very generous by today’s standards. Liberal members of the House used a similar refrain as they blocked immediate action on Clinton’s welfare reform proposal in the summer of 1994—waiting until 1995 would lead to a better result! Perhaps the real problem with a serious intellectual focus on the failures of welfare and the need for a work-oriented national welfare reform is not that it came too early, but too late.

Piven is right about the popular indignation about welfare and the tendency to blame the poor. She is wrong if she believes that sweeping these difficult issues under the rug or angrily proclaiming the virtue of positions rejected by most of the public will lead to “real” welfare reform. □

HOT AIR

To the Editors:

I want to take exception to Tom DeVries's article about talk radio ["We'll Talk About That," March-April 1996]. He states that "Old-fashioned liberalism isn't selling in the present packaging," which is both offensive and erroneous.

First, the old-fashioned way you got to be a liberal was by getting a cross burned on your lawn, by having your house shot up, by getting threatening anonymous letters, by getting beat up for trying to organize working people, by getting blacklisted for thought crime, or by having a family member butchered by corporate criminals. Old-fashioned liberalism is not for sale. It's not a product. It's what people awash in blood and despair do to protect themselves.

Second, what DeVries thinks is liberalism (Hollywood, popular music, sitcoms, and talk show TV) is in fact anathema to those liberals that I know. It is not that Geraldo isn't "politically correct" enough—it's that he's a dope. It's not that there aren't enough gay or black actors in the movies—it's that the movies are incorporating advertising and schlock at the expense of acting and plot. Who gives a flying fork about this so-called "cultural liberalism"? I'll gladly join the Buchananites in putting Hollywood to the torch.

Finally, polls strongly indicate that defending the rights of working people is, in fact, wildly popular—a fact that the media "disappears," along with Kenneth Starr's criminal conflict

of interest and the criminal union busting of Staley. And that's what old-fashioned liberalism is all about.

No, old-fashioned liberalism is alive and well. It's just that DeVries is too shallow to know what it is. To the extent that the anarch-idiocy that passes for conservatism has triumphed, it has been because its exponents (notably Limbaugh) are willing to lie ceaselessly, and because it is backed by limitless wealth. Liberalism, particularly given what financial resources it has to work with and its dedication to truth, has done miracles.

Joel Swadesh

TOM DEVRIES RESPONDS:

I think I reported that radio broadcasting types, including those somewhat to the left, say liberals have bombed in talk radio because they seem unable to laugh at themselves, seem humorless, come off self-absorbed. They fail, in other words, to entertain. Mr. Swadesh dramatizes the point, I think.

And now he will put "Hollywood to the torch." What an odd comment from a person incensed about burning crosses.

And even as we argue, *Birdcage*, a homosexual-themed movie in which a screaming queen triumphs and a conservative U.S. senator is the fool, has enjoyed four weeks as the most popular and profitable attraction in the country. The movie succeeds not because it is politically pure, but because it is funny. That's good, Mr. Swadesh. Lighten up.

VICTORIAN VIRTUES

To the Editors:

Robert Lieberman ["Orwell's Poor and Ours," Winter 1996] perpetuates a mistaken assumption behind both liberal and conservative analyses of poverty. Conservative accounts blame the condition of the poor on their moral shortcomings, while Lieberman's liberalism portrays the poor as victims of our institutions. The mistaken assumption is that the poor are all alike in some way that explains their poverty.

A more credible view is that some—though not most—of the poor are in their condition on account of their moral flaws. The conservative view has the virtue of noting what is obvious to most: Some of the poor have themselves to blame. Liberals should accept the point and develop their position around these ideas:

1) Most of the poor are no less responsible than the rest of us and deserve better treatment from society.

2) The task of selecting out the irresponsible is beyond the capacity of any bureaucracy.

3) The abuse of welfare policies by some "freeloaders" is an unfortunate but unavoidable side effect of providing any social safety net for the poor.

4) We should build a social democratic state, but it will never work without a strong sense of social responsibility at all levels of society.

Liberals like Lieberman make a serious mistake in dismissing

talk of the Victorian virtues. These qualities of character—diligence, integrity, fair play—are necessary in a society that provides a decent social minimum. And, unfortunately, they are in short supply at every level of our society.

Andrew Altman
Falls Church, Virginia

ROBERT C. LIEBERMAN
RESPONDS:

I certainly do not disagree with Andrew Altman's criticism of both sides in the poverty debate. After all, I invoked Orwell to do the same thing. The right falsely places the burden of poverty on the poor themselves and their moral failings, while the left often elides the serious social ills associated with poverty. Orwell had no patience for the pieties of either left or right, and neither should we. Poverty is both an individual and a collective condition, and we need to confront it in both of its aspects.

But Mr. Altman misrepresents my argument in two particulars. First, I did not claim that "the poor" are all alike. In fact, Orwell's genius lay in his power to portray the poor as individuals, people with good or bad characters, but also people caught in circumstances that severely constrain their opportunities. He teaches that we cannot excuse the moral failings of poor people simply on account of their poverty, but neither can we expect them to behave exactly like everyone else.

Second, I did not dismiss talk of moral character. Like Orwell, I agree that we cannot try to explain away the obvious and

unpleasant facts of life in poverty. Where he and I part company with the Victorian moralists is in their insistence that poverty is a mark of individual moral failure. From such a position, no collective response to poverty is defensible. Moreover, who could be against diligence, integrity, and fair play? But if these qualities are lacking at every level of society, and not just among the poor, what do they have to do with poverty?

Finally, Mr. Altman's implication that undeserving "freeloaders" are clogging the welfare system is simply false. New York City recently tried to purge its welfare rolls of just such "freeloaders." But the *New York Observer* reported that when

people who were dropped from the rolls appealed, more than 80 percent had their benefits reinstated. Actual fraud turned up in fewer than 1 percent of the cases investigated. The "freeloader" issue is a sideshow, invoked by welfare cutters who seek to label the poor irresponsible in order to divert attention from the true effects of their policies. To invoke it ourselves is to per-

petuate precisely the false view of poverty that Orwell so devastatingly refuted.

SOCIAL INSECURITY

To the Editors:

In his article "Children's Crusade" [Winter 1996], Jonathan Cohn painted an accurate portrait of the many challenges facing the generation of Americans coming of age in the 1990s. However, he failed to discuss the great intergenerational inequities posed by the Social Security system, the reason that PAC 20/20 (the subject of the *New York Times Magazine* article by Elizabeth Kolbert to which

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Cohn referred) was formed.

According to the President's Commission on Entitlement Reform, by 2012, interest on the national debt and entitlement spending will consume the entire federal budget. The bankruptcy of the Social Security system will begin shortly thereafter, in 2020, and will be complete by 2030. Thus, unless substantial reforms are made to Social Security, not only will there be no money to fund education and other programs so necessary to America's future, there will be no Social Security.

One of the triumphs of the twentieth century has been the tempering of capitalism with social justice through Social Security and other welfare programs. These are essential to ensure that no one falls through the cracks of the free market. Indeed, the evolution of capitalism into a kinder, gentler system, ultimately ensured its victory over socialism. In its current form, however, with recipients receiving several times their lifetime contribution, Social Security is a pyramid scam being perpetrated upon America's future generations and is simply not sustainable.

*Christian Klein
Washington, D.C.*

HOUSING INEQUALITY

To the Editors:

Thank you for Peter Dreier and David Moberg's "Moving from the 'Hood'" [Winter 1996], a rare, thoughtful consideration of housing mobility programs, which enable poor African-American families to move into

decent housing in suburban communities with good schools, safe streets, and meaningful jobs.

The one pertinent point the article omitted was that these programs are needed to undo the separate-and-unequal housing that federal, state, and local governments imposed on African Americans. Housing segregation did not "just happen"; it was created by deliberate and pervasive government action, including racial zoning, the Federal Housing Authority's refusal to finance housing that was not racially segregated (and almost always for whites), and public housing that segregated by race in selecting sites and tenants. When government acts now to enable mobility, it is undoing evil it did in the past, removing barriers it erected to the free choice of residence.

*Florence Wagman Roisman
Wilmington, Delaware*

CORRECTION

In "The Strange Disappearance of Civic America" [Winter 1996], Robert Putnam sought to explain a decline in Americans' engagement with community affairs over the last several decades. Recently, we have discovered a significant error in one of the data series that supported Putnam's claim of civic disengagement. In the General Social Survey as published and distributed for the years 1989 to 1994 the entry for "number of group memberships" (MEMNUM) mistakenly excludes memberships in "service clubs" (such as Rotary clubs) and "school service

groups" (such as parent-teacher associations). Correcting this error increases by approximately 15 percent the number of reported group memberships per capita during these years. As a result, the corrected aggregate number of group memberships per capita as reported in the GSS (weighted to represent American adults, but not adjusted to compensate for rising educational levels) shows only a slight decline over the period 1974-1994. The newly discovered error in the GSS time series has no effect on the various other measures of civic disengagement reported by Putnam (such as political engagement, time budgets, social trust, and membership in specific organizations) and, so far as we have detected, the error has no significant effect on the causal analyses reported there. In fact, in a forthcoming work we report strengthened evidence for Putnam's central conjecture that the advent of television had a marked negative effect on the civic engagement of the postwar generation of Americans.

*John F. Hellinwell
University of British Columbia*

*Robert D. Putnam
Harvard University*

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RETURN OF THE NATIVE

BY SIDNEY BLUMENTHAL

The defining episode in Bob Dole's biography is the grievous wound that he suffered on a hillside in Italy in World War II. The Dole campaign has sought to make his battlefield valor and heroic recuperation into both a compelling personal narrative and a statement of foreign policy. Presumably, Dole's war service is a self-explanatory badge of internationalism. Yet there is evidence that his long months in a rehabilitation hospital and half a century of dark rumination have left Dole wary about foreign entanglements. Dole is not exactly an isolationist, but he's not exactly an internationalist either. In the sheer muddle of his foreign policy, isolationism discovers ground to flourish.

In 1976, Dole was the Republican candidate for vice president. In his debate with Walter Mondale he assailed the wartime leadership of Franklin D. Roosevelt. "I think about that every day, because of a personal experience in World War II," said Dole. Mondale parried by bringing up President Ford's pardon of Richard Nixon on Watergate-related charges. Dole replied that the issue was unfair. When a reporter asked why, Dole delivered his memorable response: "Well, it, uh, is an appropriate topic, I guess, but it's not a very good issue, any more than the war in Vietnam would be, or World War II, or World War I, or the war in Korea. All Democrat wars. All in this century. I figured up the other day, if we added up all the killed and wounded in Democrat wars in this century, it would be about 1.6 million Americans, enough to fill the city of Detroit." His figure was eerily exact—not 1.5 million or 1.7 million, but 1.6 million. The number had been calculated, a fruit of archival enterprise.

Dole's belief that the wars of the twentieth century were "Democrat wars" was widely considered one of the key factors that cost Ford the election. At the time, Dole seemed to treat his comment as nothing more than a legitimate debating point. But he never elaborated. Long after the 1976 election, that jagged point remains a tantalizing, enigmatic clue to his deeper politics.

Twenty years later, the Republican presidential candidate and his handlers have placed his war wound at the heart of his campaign. It is clearly intended to be the organizing principle around which voters are to grasp Dole's leadership qualities. Its graveness presumably communicates gravity. It is supposed to signal Dole's authority as a statesman compared to President Clinton, who, like the vast majority of his generation, did not serve in the Vietnam War.

One problem for Dole in waging generational politics by contrasting wars is that the

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gambit raises a political liability: that he is not simply old but the oldest candidate ever to run for the presidency. The distance in time between his wounding and his presidential campaign is 51 years. The span is about the same as if Dole had been wounded in the Spanish-American War and been nominated by the GOP instead of Eisenhower. Or if he had been wounded at the Battle of Wounded Knee and been nominated in 1940 instead of Willkie. Or if he had been wounded in the Civil War and been nominated to run against Woodrow Wilson. Or if he had been wounded in the War of 1812 and run against Lincoln—the second time. What would those wounds have meant transposed into those campaigns? Those connections are no less obscure than the one Dole is trying to make now.

Another problem is that Bob Dole is a man of little mystery who fails to explain himself. He imposes his biography onto his campaign as though it carries not only conviction but encodes a whole foreign policy. We are to infer what his “Democrat war” wound means, beyond its personal effect on him. What befell him in World War II correlates after the Cold War to policies he has only sporadically and spottily spelled out.

But Dole’s inarticulateness has its own clarity. In his foundering and confusion, he reflects the current incoherence of the Republican Party quite accurately—a party as fundamentally split by foreign policy as it is by social issues. Dole’s political character is well suited to serve as a medium for the turmoil. Dole has always been a reactive fixer who operates by feeling where the pressures are coming from, with special sensitivity to the Republican right, and then by making deals that allow him to pass on to the next square, where he will make another set of deals. Through the years, Democratic senators have handled Dole by trying to get him to commit to a position before his antennae have become fixed on the right’s shrill frequency. He sel-

dom adds anything new to the equation.

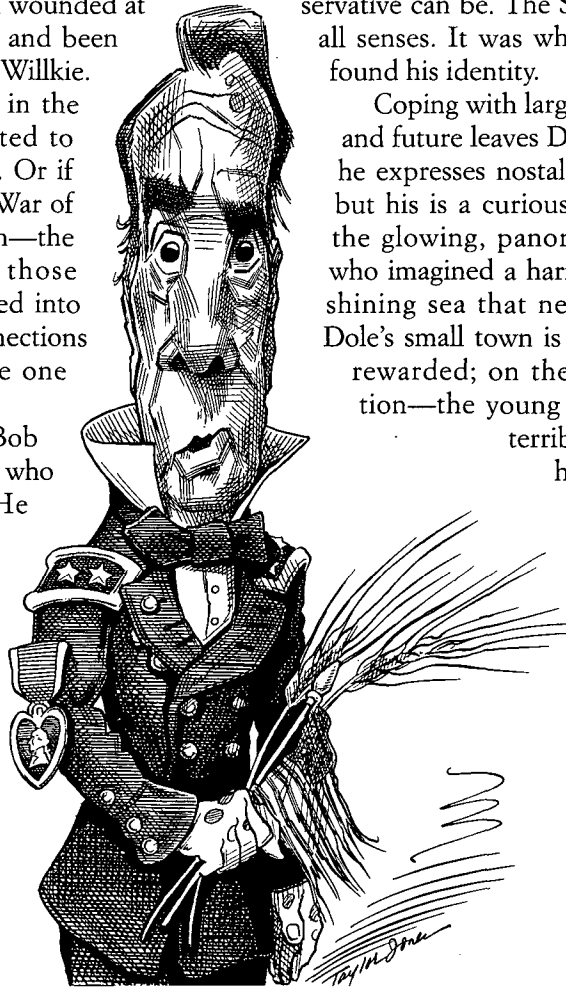
Dole is conservative, not because he embraces ideological abstractions but because of his ingrained suspicion of ideas themselves. Dole is not an activist, but an institutionalist; not an advocate of causes, but a sponsor of amendments. He is visionless in the sense that only a traditional conservative can be. The Senate was his true home in all senses. It was where he lived and where he found his identity.

Coping with larger concepts of past, present, and future leaves Dole befuddled. Occasionally he expresses nostalgia for his small-town past, but his is a curiously narrow nostalgia, unlike the glowing, panoramic nostalgia of Reagan, who imagined a harmonious nation from sea to shining sea that never really existed. Nor in Dole’s small town is hard work and clean living rewarded; on the contrary, its personification—the young lad “Bob Dole”—meets a terrible fate for no decent reason

he can discern. Ultimately, Dole’s nostalgia is bitter. But when he looks backward he can at least see himself. Gazing into the fog ahead, he doesn’t even perceive the dimmest outlines of forms; his main lodestars are the interest groups buffeting him in a murky present.

As the right wing has gained influence within the party, Dole has followed. But it is not because he’s a true believer in its seamless ideology. He treats the conservative movement as a large interest group, like Archer Daniels Midland. If any label fits Dole, it is interest-group conservative.

Dole’s patina of realism, as a practical politician, might be taken as an homage to his political beau ideal, Richard Nixon. Unfortunately, he lacks more than Nixon’s sense of timing and maneuver. Nixon, after all, was vice president at 40, and nominated for president every time he ran—three times. Dole has reached the nomination only on his third try, after all his generational peers have retired, having already beaten him previously. Nixon’s intraparty method was to play one wing off against the other



in order to sustain himself in a movable middle. Dole, by contrast, offers an inarticulate summary of various conflicting Republican positions; he flourishes shards of them without ever making the effort to define or fit them together. Elevated from his natural habitat in the Senate to the station of Republican nominee, the unintended consequences of Bob Dole are to expose and intensify political contradictions within the GOP.

It is not coincidental that isolationism within the Republican Party rises at the same time as an antigovernment fervor. The antipathy to a strong government both at home and abroad is consistent, not simply as a matter of logic but of history. The internal struggle wracking the Republican Party is the latest unfolding of a decades-long battle between its internationalist tradition and a resurgent isolationism. This time the conclusion is likely to be a rejection of the GOP's internationalism. The glimmer of a returned Republican isolationism surfaced at first as a reaction to the Clinton administration's early foreign policy, which was seen in 1993 to be stuck in the quagmires of Somalia and Haiti. A nascent neo-isolationism emerged as a knee-jerk anti-internationalism. No doctrine, no fully shaped ideas were attached to it. Only a few on the old right, like Patrick Buchanan, knew its roots. Swiftly, however, this element coalesced with nativism and xenophobia into a combustible conservatism.

The undercurrent of the new isolationism is fear of the foreign as not only alien, but potentially contaminating and insidiously subversive. Multilateralism is inherently a compromise of our sovereignty, our very identity. A New World Order must be resisted. (For those on the far right, black helicopters carrying United Nation troops in their nighttime invasion of our country can be heard in the distance.) Unless foreign countries are willing to follow our strictures completely, we have no use for them. Even the Western Alliance is dispensable. Foreign aid, moreover, is nothing but welfare. If we cut it off, we will force beggarly foreigners to become self-sufficient and self-respecting. Diplomacy is for "the striped-pants" crowd, as Senator Gramm called State Department Foreign Service officers. It is somehow effeminate, another undermining force—indeed, a kind of enemy within, a conspiracy of weak sisters sapping our moral fiber. American soldiers must not even wear the

patch of the sinister U.N. on their uniforms, much less fall under a U.N. command. To the extent that we can cut ourselves off and go it alone as a self-reliant nation, we purify ourselves.

Few of those who advocate the new isolationism actually dub themselves isolationists, which had been a proud term in the 1920s and 1930s. They merely consider that they are true believers in an unchanging conservatism of absolute values, and that those who don't share their views, especially other Republicans, are not conservatives, and thus less than fully moral Americans.

Isolationism through the years has maintained its underlying nature, but it is hardly a static political phenomenon. Varying with circumstances and politics, it is constantly altering its shape. Under the pressure of the Cold War, isolationism per se went underground and surfaced as a moralistic unilateralism. And when the Cold War ended, the GOP was unprepared for isolationism's roaring return.

The first real opportunity for the Republicans to attack the Clinton administration on foreign policy came with the nomination of Strobe Talbott, a former columnist at *Time* magazine who was serving as the special U.S. representative to the former Soviet Union, to be deputy secretary of state.

The end of the Cold War had brought the Republicans to the vanishing point of their foreign policy perspectives. Neither the crusading Reaganites nor the realist Bushites had a context any longer; virtually overnight they had become anachronisms. Talbott loomed as a fine target to revive the old atmospherics. Over the years, he had translated Khrushchev's memoirs and written a series of books on the politics of arms control. Talbott's views on the Soviet Union were in the line of George F. Kennan, the State Department official who had originally created the containment policy. Kennan had prophetically argued that if contained, the Soviet Union would decay and eventually collapse. But containment was assailed by the right as appeasement of the Communists. On the ruins of the old isolationist right, a unilateralist right wing that demanded "roll-back" emerged. Talbott, in his journalistic forensics, had been a critic of Reaganism, and therefore was seen by the right as somehow "soft" on Communism. The irony that he was regarded by Soviet hard-liners as a CIA spy and for years forbidden from entering the country was lost on the Senate Republicans desperate for a new mark.

Shortly before the vote on Talbott's nomination,

in February 1994, right-wing Russian nationalists scored upsets in local elections. Then on the morning of the vote, Aldrich Ames, longtime mole for the Soviets within the CIA, was exposed. An aura of Cold War crisis was temporarily pumped up. Senator Jesse Helms accused Talbott of being a dupe of the KGB. "Mr. Talbott," declared Helms, "was enjoying pleasantries with the KGB agent, Mr. Louis, at his swanky dacha outside of Moscow. Mr. Louis did not waste his time with people who were unwilling to be spoon-fed the Soviet line." Senator Al D'Amato of New York was next. "First of all," he said, "let me say I am deeply concerned about Mr. Talbott's writings. And if any of them are true, I think it is an outrage." Senator Hank Brown declared: "Under Ambassador Talbott's tenure there has, indeed, been a resurgence of hard-line Marxists in the former Soviet Union and particularly Russia."

Bob Dole announced: "I have decided a strong signal needs to be sent—enough promotions for Strobe Talbott." The vote against Talbott, which was expected to be negligible, rose to 31. That number was a measure of the longing to restore the political polarities of the Cold War. But these senators, including Dole, did not anticipate that the election of the first Republican Congress in 40 years would lead the party even farther back in time than the long twilight struggle.

At the dynamic center of the new Congress were the 73 House Republican freshmen. The public, they were absolutely certain, had elected them because of the intensity with which they had presented their ideology. The freshmen projected their crusading faith onto their new leader, Newt Gingrich. But the speaker, who fashioned himself an internationalist, could not reliably control his followers. In February 1995, Gingrich supported the President in an effort to prevent the Mexican peso from collapsing, but his militant coteries would not go along. His failure forced the Treasury Department to devise a package of loans on its own, stretching the President's discretionary power to use a fund intended for stabilization of the dollar. "I am outraged that the President abused his power to bail out a foreign government," said Representative Steve Stockman, a Republican freshman from Texas (whose affinity for militias was

exposed after the Oklahoma City bombing).

The isolationism that came in with the Republican Congress was intellectually inchoate. Its proponents were proud of their disdain for internationalism, as though they were striking a brave new pose. The Contract with America contained a series of anti-internationalist positions, including prohibiting U.S. troops from serving under foreign command, draconian limits on funding peacekeeping missions—and the catch-22 provision stipulating that U.S. involvement in such U.N. efforts needed congressional approval 15 days before they were ever voted on in the U.N. The contract was merely the 1990s update of isolationist causes of the past—the Bricker Amendment of the early

The antipathy to strong government at home and abroad is consistent.

1950s, which would have had Congress vote on every single international agreement as though it were a treaty, and the Neutrality Acts of the 1930s, which forbade material aid to any European belligerent (meaning, of course, Britain). By standing against internationalism, the new Republicans were thumbing their noses not only at the Democrats, but at the remnants of the Republican establishment. They seemed unaware of their political ancestors within the GOP and how they were recreating the old pre-Cold War pattern. Gingrich, too, didn't grasp that the isolationism in his ranks was more consistent with the limited-government dogma than his own presumed foreign policy inclinations. He acted as if he might fan the flames of one without ever stirring an ember of the other. He also did not understand that his alleged internationalism was at odds with the Contract with America, which he treated with biblical reverence. Meanwhile, inside the House Republican Conference, the speaker's bipartisanship on certain foreign policy issues made the members wonder whether he might be a crypto-moderate after all.

Some Republicans began openly to question the purpose of the Western Alliance. They likened it to a government program, the enemy they were sworn to cut down. "NATO was set up to protect Europe against the Soviet menace," said Representative Jack Metcalf, a Republican freshman from Washington. "But it's like a government agency: It just keeps going and going."

Representative Joe Scarborough, a Republican

freshman from Florida, proposed that the U.S. withdraw completely from the U.N. Other Republicans pushed legislation to "privatize" foreign aid. "If we're going to cut entitlements at home, we have to be willing to cut them abroad," said Representative George Radanovich, president of the Republican freshman class. His argument had a simple consistency that Gingrich lacked.

On October 6, 1995, President Clinton delivered a speech denouncing the "isolationist backlash." A test came quickly, in December 1995, when Congress debated the sending of U.S. troops to Bosnia to keep the peace wrought by the Dayton Accords. "I'm not the least bit interested in the prestige of NATO," said Representative John Linder, a Republican freshman from Georgia, during floor debate. "President Clinton says we will hurt our standing with our NATO allies. Well, if that were true, I would say, 'So what?'" said Representative Gerald Solomon, a Republican from New York. "If there is a peace, there is no need for peacekeepers," said Representative Bob Inglis, a Republican from South Carolina. "I really believe that this has much more to do with political correctness than it does with anything else. It is simply not politically fashionable today to be labeled as an isolationist," said Representative John J. Duncan, Jr., a Republican from Tennessee. "The Cold War is over. The American people deserve better treatment than this," said Representative Dan Rohrabacher, a Republican from California.

The tenor of Bosnia was far advanced from that of the Talbott debate. In early 1994 the worn labels and phrases from the Cold War were dusted off for display. But by late 1995 the Cold War was sloughed off; contempt was shown for our allies, who were considered useless, not just in Bosnia, but in general; and international peacekeeping was dismissed as beyond our interest. In the end, the House voted not to cut off U.S. funding for the mission by the narrow margin of 218 to 210. Gingrich voted with the majority. In the Senate, only 22 members voted to cut off funding. Dole, too, voted with the majority.

With that, the Republican presidential primary campaign began in earnest. In May 1995, Patrick Buchanan scanned the globe for countries torn apart along ethnic lines and saw the future. "Ethnic politics, national politics, national identity—these are the things

that are breaking up the Soviet empire and Czechoslovakia, Yugoslavia, Canada, and India, and it's coming right here to River City," he said. From the polls showing that Americans were distrustful of government, he drew a sweeping conclusion: "They think the whole country is being sold out to some kind of global New World Order."

Buchanan's dreams were not the blue-sky dreams of Reagan, but visions of a darkening horizon. He saw an America swarmed by illegal immigrants: He would build a fence along the border. He saw an America destroying its economy through world trade: He would build a wall of tariffs. He saw an America surrendering its sovereignty, its very nationhood, to a series of international bureaucracies: He would, as he promised in the peroration of every speech, bring the "New World Order crashing down." Buchanan's slogan was the name of the right-wing movement that opposed U.S. aid to Britain during the Battle of Britain: America First.

In his quest for partisan advantage, Dole had drifted toward the isolationists' positions—ridiculing the name of United Nations Secretary General Boutros-Boutros Ghali and even sponsoring legislation not to pay the U.S. costs for U.N. peacekeeping. "American foreign policies will be determined by us, not by the United Nations," he declared in the speech announcing his presidential candidacy. Far from confronting the isolationists, in the manner of Republican internationalists in the Senate of the past, such as Arthur Vandenberg, Dole toyed with the isolationists' symbols.

Buchanan's early victory in New Hampshire provoked Dole to announce that he had no idea that jobs and trade would be campaign issues. Stunned, he was forced to engage his opponent. During the decisive South Carolina primary, Dole appeared at the huge BMW manufacturing complex in Spartanburg to dramatize his view that protectionism would undermine prosperity. After mumbling a few words he let his surrogates, former governor Carroll Campbell and Senator Phil Gramm, do the talking for him. Dole's rhetoric was bare, his attitude passive.

Once Dole won the primaries, he established no dominance over the issues within the party. He had managed his victory not in spite of his visionlessness, but because of it. Rather than being bound to grand ideas that constricted his base, he campaigned as the regular supported by GOP officialdom. He gained the nomination precisely by failing to resolve the

party's contradictions. He thought he could escape by relinquishing his duties as majority leader. He didn't understand that he was the vacuum.

Just before Dole left the Senate, Gingrich offered a defense. "Dole in the campaign, in the primaries, said he was for a balanced budget, welfare reform, tax cuts, litigation reform," said Gingrich. "These are all Contract items. He's not Tom Dewey, he's Bob Taft."

Gingrich's reference evoked the lost world of the right, an Atlantis bubbling to the surface. Senator Robert Taft—the midwestern regular, Senate majority leader, and quadrennial candidate for the GOP presidential nomination—was an apposite forebear. In Gingrich's checklist of issues, however, he failed to mention foreign policy. Yet what would truly make Bob Dole into Bob Taft would be isolationism. Then Dole would be a complete conservative of the old school.

Isolationism is remarkably static in its tenets of non-entanglement with other nations, but as a political phenomenon its shape has often changed. The policy of avoiding foreign conflicts and involvements has not had the same meaning from the Federalists to the Whigs, from the Jacksonian Democrats to the Taftite Republicans. One strain, that of midwestern progressive-isolationists, with intellectual roots going back to Jefferson, even argued that foreign wars and alliances were destructive of liberal domestic reform. And, on that basis, a group of senators played a key role after World War I in opposing American participation in the League of Nations.

The isolationism that arose after World War I was a movement of disillusionment that contended America would prosper only if it were removed from the evil balance-of-power games of the European nations. With the coming of World War II, isolationism was framed by a new coalition whose principal organization was the America First Committee. "An analysis of the isolationist arguments reveals that they were closely attuned to an international situation made fluid by the shifting fortunes of war," writes the historian Selig Adler in *The Isolationist Impulse*. "To allay popular fears of the consequences of an Axis victory, the isolationists stressed the 'Fortress America' concept, namely that an adequately defended New World would be impregnable to any possible combination of foes."

In June 1940, France fell to the Nazis and

Britain was under aerial siege. Franklin D. Roosevelt, in an effort to create a national unity government, nominated one of the most respected figures in the Republican Party, Henry Stimson, as Secretary of War. (Stimson had held the same position in the administration of William Howard Taft, Senator Bob Taft's father.) Stimson was an interventionist, and in his confirmation hearings he was confronted with harsh questioning from the leader of the congressional isolationists, Senator Bob Taft.

Taft had good reason to be perturbed at the sight of his father's old cabinet member. The recurrence of the Stimson tradition was the main factor in upsetting Senator Taft's presidential ambitions. Without World War II

and the Cold War, Taft was the logical nominee of the Republican Party from 1940 to 1952. Each time he was denied by the eastern Republican internationalist wing and its candidates—Willkie, Dewey, and Eisenhower.

Taft was the foremost spokesman for conservatism from before World War II through the early days of the Cold War. His conservatism combined opposition to almost all social legislation at home with opposition to almost all commitments abroad. His conviction that he was right and others were wrong marked his politics. Taft's intelligence and his unyielding rationality appeared as "dogmatism"—Stimson's word for Taft. He had an air of cold arrogance. "That's stupid, just stupid," was his frequent response to those who disagreed with him, including his fellow Republicans. He positioned himself as the man of high principle and integrity against the venal. His disdain ranged from labor unions to Dewey, from FDR to Winston Churchill. His contempt was almost equal for the devious, unprincipled Democrats and the devious, unprincipled British. "War is worse even than a German victory," he said in 1940. A year later, with the Nazis astride Europe, he remarked: "I feel very strongly that Hitler's defeat is not vital to us. Even the collapse of England is to be preferred to participation for the rest of our lives in European wars." And he concluded, "If isolationism means isolation

Dole won the nomination precisely by failing to resolve the party's contradictions

from European war, I am an isolationist."

In 1945, Walter Lippmann wrote that Taft "has never acquired sufficient wisdom and understanding. . . . He is probably more responsible than any other single man for leading the Republican Party into blind alleys of dumb obstruction on the vital issues of our time."

After the war, Taft sought a political lift in his hopes for a nationalist disillusionment similar to the one after World War I. He opposed Bretton Woods and U.S. participation in NATO. "Show that the Democrats have fostered Communism and Communists right through the war," he wrote in a memo to an aide during the 1948 campaign. He referred to Dewey Republicanism as "socialism."

Taft's politics had a fundamental consistency. His nationalism and his libertarianism meshed. In all spheres he favored self-sufficiency. He mistrusted government and foreign allies. He wanted to spend less on both. This was what he meant in concrete policy terms by his highflown insistence on "liberty." But his iron ideological consistency masked a deeper inconsistency that is the fundamental contradiction of isolationism: the unbridgeable chasm between the complacent belief that the U.S. can thrive protected by isolationist immunities and the faith that it will still maintain global preponderance. The conservative wish for an unfettered America was—and remains—untethered to geopolitical and economic reality. After Senator Taft's death in 1953 the memory of the standard-bearer of the Republican right seemed to disappear. Yet it had not faded away completely; Taft was the palimpsest beneath the Cold War. The memory still existed enough so that, in reaching for an image to apply to Bob Dole, Gingrich recalled Taft.

The revival of Taft accompanies the reopening of old wounds within the GOP. The old eastern wing that had defeated Taft is diminished and a number of its formidable institutions, such as the *New York Herald Tribune*, are defunct. With George Bush (who was inspired to join the Navy after hearing a graduation address at Phillips Academy delivered by Henry Stimson), the internationalist tradition appears to have nearly run its course. The crisis in foreign policy for the Republican Party today is that the Stimson legacy is on the defensive and the Taft tradition, taking virulent new forms, but still lacking his philosophical coherence, is on the rise. Bob Dole, caught in the maelstrom, tacks moderately here and hard right there.

In the campaign of 1996 the Republicans have constructed a veritable museum of their past, from the America First Committee down to Star Wars. In Dole's campaign, the old Republican rivals on foreign policy of 20 years ago—the Kissingerians and the Reaganites—each have the candidate's attention. The Kissingerian realists, particularly those housed at Washington's Nixon Center for Peace and Freedom, have played a prominent role in ghostwriting Dole's articles and speeches. The influence of the Reaganites, including the neoconservative residue, is evidenced in the Republican hope that Dole can somehow revive the political atmosphere of the late 1970s: Clinton will become Jimmy Carter, Dole will play Ronald Reagan. All that's lacking is the backdrop of the Iranian hostage crisis and the Soviet invasion of Afghanistan. Dole's token of faith in this scenario is his proposal to loft Reagan's unbuilt Star Wars defense against incoming missiles in outer space: the ultimate Fortress America. That the U.S. and Russia no longer target each other, and have signed a treaty on it, must be ignored. The new enemy against whom we must spend tens of billions to create Star Wars is, well, North Korea. Dole must hope that by repeating Reaganite incantations the aura of Republican victories past will surround him: America is held hostage with Bill Clinton; it's morning again in America with Bob Dole.

But Dole is neither a realist in foreign policy nor an idealist. He lacks both the strategic sensibility of Kissinger and Nixon and the utopianism of Reagan. He shows occasional evidence of Taftism, but he is utterly devoid of Taft's intellectual coherence. On presidential authority in foreign policy, Dole's record is a blur. He voted for the War Powers Act and now calls for its repeal as "a real threat to presidential prerogatives." He was for sending U.S. troops into Somalia under President Bush, but proposed an amendment requiring congressional approval of a military mission in Haiti under President Clinton. "The American people are very excited about us getting into all these squabbles that are costing American lives," he said. His amendment was defeated. Then, on Bosnia, he demanded no such thing, supporting the multilateral mission. His flip-flops on significant issues, including defense spending, aid to Israel, and free trade, have been unending. On only one issue has he been consistent: wheat sales. No matter what the U.S. policy toward the Soviet Union, Dole always, in every

instance, favored wheat deals. He's for free trade, but raises objections to the World Trade Organization and kindred institutions that are necessary to make global trade work. At the beginning of this year, he even attacked the "haphazard rush to sign more trade deals."

Sometimes he has openly used the language of isolationism. In August 1990, after the Iraqi invasion of Kuwait, Dole said: "We're a foreign power. We don't belong in that part of the world. . . . It ought to be settled by the Arabs. I mean, you see it on every TV program. You see people reacting, men and women on the street in Egypt or Jordan or wherever it may be: 'We don't want America in here.'" Then, when President Bush mobilized for the Gulf War, Dole shifted and criticized Democrats.

In March 1995 he declared: "I do think foreign policy may not mean anything to a lot of people in an election." On May 9, 1996, Dole delivered his first major foreign policy address as a presidential candidate, lambasting Clinton for "weakness." Once again, Dole wheeled out what seemed to be an artifact from the Republican museum. This one was constructed of parts from the GOP's two China lobbies: one from the late 1940s and early 1950s that was hostile to the People's Republic of China and pledged military aid to Taiwan, and the other from the 1970s and 1980s that was friendly to the People's Republic and pledged economic aid to it. Accordingly, in his speech, Dole supported extending Most Favored Nation trading status to China while urging missiles for Taiwan. As a political event, the speech made no impact. In the Senate, Dole made no effort to stop Senator Jesse Helms's plan, as chairman of the Foreign Relations Committee, to slash the international affairs budget by more than one-third. "This bill represents back-door isolationism pure and simple," declared Senator Joseph Biden, the ranking Democrat on the committee. But Majority Leader Dole never stood up to Helms in any way. In an op-ed article entitled "Who's an Isolationist?" published on June 6, 1995, in the *New York Times*, Dole wrote: "Democrats are complaining about Republican 'isolationism' and Congressional involvement in foreign policy. How strange." He went on to defend Helms's proposals, concluding on a stentorian but vague note: "We will not passively accept policies that harm the national interest and violate American principles."

While clinging to the internationalist label, Dole

lends credence to the new forms of isolationism. Influenced by both internationalism and isolationism, Dole is not consistent enough to profess either as an ideology or even a disposition. His speechwriters provide him with boilerplate about "leadership" and "American interests," as though he were Nixon *redivivus*, while the Republican Party drifts toward Taft *redivivus*: the classical conservative position fusing antigovernment and anti-internationalist sentiments.

But what of Dole's weirdly precise tally of Americans killed in "Democrat wars"? Had the small-town boy found a partisanship, or an ideology, to express his bitterness? Perhaps. It is interesting to note that of the six delegations from Kansas districts sent to the Republican convention in 1952, five backed the internationalist Eisenhower. The only one that supported Taft came from the district that included Dole's hometown of Russell.

After World War II, a small school of historical revisionists published books to prove that Franklin D. Roosevelt had conspired to drag the country into the war in order to maintain his power. Harry Elmer Barnes had been an ardent isolationist for decades, and in 1953 he edited an anthology of writings about Roosevelt's plots and betrayals in a volume called *Perpetual War for Perpetual Peace*. In his introduction, Barnes wrote: "It may be said with great restraint that, never since the Middle Ages have there been so many powerful forces organized and alerted against the assertion and acceptance of historical truth as are active today to prevent the facts about the responsibility for the second World War and its results from being made generally accessible to the American public."

In the book, on page 35, was the following table:

28 years of Democratic rule (Wilson, F.D. Roosevelt, and Truman) yielded 1,628,480 war casualties.

24 years of Republican rule (Theodore Roosevelt, Taft, Harding, Coolidge, and Hoover) yielded 0 war casualties.

Evidently, this obscure book was the original source from which Bob Dole fished his magic number. His famous debating performance is the only recorded case of repressed-memory syndrome of Republican isolationism.□

SOCIAL COMPACT, VERSION 2.0

BY BERNARD AVISHAI

Are companies custodians of social values? For those of us raised somewhere between the invention of steam power and *The Man in the Gray Flannel Suit*, "corporate values" suggests a forlorn hope. But times, apparently, are not what they were. In February, *Upside* magazine featured an emblematic statement by Paul Saffo, the widely admired analyst of business technology based at Menlo Park's Institute for the Future, a Silicon Valley fixture: The high-tech industry, Saffo told an interviewer, has been "too immature, too young, to realize it had social obligations. But that's changed. There's a lot of social consciousness coming up, and a lot of sense of responsibility spreading out."



Responsibility for what? "Haves and have-nots is a big issue," Saffo continued. "Mitch Kapor [the founder of Lotus Development Corporation] frames it as 'knows' and 'know-nots.'" And how to distribute knowledge, including access to knowledge, so that everyone can be "enfranchised" members of society? Saffo is adamant: "In the end, being good and doing the right thing and being socially aware is an act of self-interest."

This message—that corporate values can repair the dislocations of an intensified corporate competition—is enjoying a certain political vogue. In May, President Clinton held a White House conference to explore, as the *New York Times* put it, how "profits and people go hand in hand." The conference, in familiar Clinton style, featured the President moderating presentations by corporate executives who have pursued worker-friendly growth strategies.

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For liberal politicians short on public dollars, the equation of private profit with social purpose passes a social burden back to the private sector. For executives too casually accused of greed, "values" imply regard for the commonwealth. If treating workers well—cherishing their human capital, nurturing their morale, enhancing their authority—truly equals enlightened corporate self-interest, then postindustrial revolution needn't equal increased social turmoil. We can have the creation without the destruction. The only task is to persuade entrepreneurs to recognize their true self-interest.

Perhaps the most arresting declaration of this kind, certainly one of the most influential, came in an interview with Robert Haas, the CEO of Levi Strauss, published in the *Harvard Business Review* of September 1990. Haas declared:

A company's values—what it stands for, what people believe in—are crucial to its competitive success. Indeed, values drive the business. . . . If companies are going to react quickly to changes in the marketplace, they have to put more and more accountability, authority, and information into the hands of the people who are closest to the products and the customers. Values provide a common language for aligning a company's leadership and its people.

Haas even said that on occasion he had decided to keep factories open on extra-economic grounds, because of the "community impact."

The problem with this message is that it is misleading—misleading about the capacity of even values-driven companies to be faithful to employees, and awfully misleading about the kind of training companies can be expected to offer. Haas and others are quite right about how to build robust businesses and, arguably, more humane ones. Quality and innovation are rooted in intellectual capital, which means companies must indeed invest in many training hours—in sophisticated functional tasks, software development, soft-skill development. Yet the companies of the new economy cannot maintain anything like loyalty to employees, guaranteeing employment as long as there is profitability. Nor can they train the less-well-educated people of our society in a way that will make them fundamentally employable. Only the government can do that; yet ironically it is the

claims of the good-guy advocates for values, like Haas and Saffo, that dilute support for government action while unloading unsustainable expectations onto the private sector.

VALUE AND VIRTUE

The corporate values movement, which traces its lineage to W. Edwards Deming and the total quality movement of the 1980s, is now pervasive in the knowledge companies of the new economy. The movement seems to stand for "good corporate citizenship," though it also stands for a kind of opposite. For acolytes do not just say that an individual company should do good for moral reasons. They say that all companies *must* do good for *business* reasons—where "good" means treating employees as human beings, not simply as hired hands, treating them with the "values" we might expect to find in a decent society. Prophets of the values movement speak especially of the importance to productivity of employee dignity and empowerment, of openness, informed choice, meritocracy—values that look vaguely like the values of democratic community, in fact.

Why is this good business? The world of "the traditional, hierarchical, command-and-control organization" is fading, as Haas put it. Companies increasingly depend on innovation and teamwork, so creative management structures and investments in training become critical competitive assets. Good companies accord employees the right to disagree and dissent, as in an experimental lab or a classroom, and they "invest in people"—training and retraining employees whose myriad competencies will engender new businesses, and whose inspired sense of purpose will become a key to victory.

Advocates of corporate values point to the undeniable achievements of the great companies of the new economy. Motorola, to take one leading example, spends about 2 percent of its wage bill on training, as much as \$150 million a year. Intel spends about \$120 million, \$3,000 per employee. All in all, corporate America now spends as much as \$30 billion on training—this, according to Louis Gerstner, the CEO of IBM, and the author, note

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well, of *Reinventing Education*. Motorola has also launched a program called "Individual Dignity and Empowerment," or IDE, which mandates regular reviews for all employees, in which individuals and their managers explore whether or not the company has defined a "meaningful" job for them.

Though the logic for this approach derives from a changing mode of production, not any ideology, the values underlying it resonate deeply with the residually social democratic notions one finds in German "Workers' Councils," and even with the neo-Shintoist notions one finds in Japanese management circles, namely, that managers are the stewards of their employees' welfare. It also appeals to American boomers who never really liked the idea of working just for money, as well as policymakers looking for an alternative to high-cost government training programs.

In its own way, talk of corporate success depending on "values" can seem powerfully reassuring to people hostile to (or just queasy about) tax increases. In the speech he gave just after being renominated to head the Federal Reserve in February 1996, Chairman Alan Greenspan urged that America should make a "renewed commitment to effective education and training, especially on-the-job training." A few weeks later Labor Secretary Robert Reich made a similar pitch, coupled with a warning, in a letter to the *New York Times*. "Of course, government can't do it all—especially a federal government trying to shrink the deficit while carrying a \$4 trillion debt. That's where the private sector comes in. If corporate America doesn't step up to the plate, it will have to contend with far worse than a proposed tax incentive for upgrading employees' skills. . . . Try protection and nativism for starters."

IS LOYALTY POSSIBLE?

Reich is certainly correct about the consequences of letting working America's problems fester. But no matter how hard they try, even enlightened corporate executives are not capable of providing the solution. Consider the pressures on employment at their most transparent. In every advancing company, blue-collar work competes

with flexible machine tools and smart robotics; white-collar work competes with data processing software and information networks. A Motorola cellular phone plant that once employed 3,000 people and generated \$1.5 billion in revenue now employs 500 people and generates \$4 billion. In the past ten years, Chase's assets grew by 38 percent, while its workforce shrank by 28 percent. On average, reports the *New York Times*, companies have cut back to about two-thirds of their former size.

This has obvious implications for employment policies. A generation ago, the great multinationals—IBM, Eastman Kodak, General Motors—could offer something like the promise of lifetime employment because, let's face it, they had no real competition. The global economy has changed all of that. IBM has had to cut nearly 100,000 jobs in the last ten years. IBM no longer offers lifetime employment, but neither does its cultural nemesis,

Apple. The *Times* reports that 75 percent of Americans think companies are less loyal than ten years ago, and 64 percent think workers are less loyal. Both are true.

Indeed, in the global economy, companies are less stable, more fragmented, and more cosmopolitan than companies ever were before. Even employees who are not replaceable by smart machines cannot expect to be treated like enfranchised citizens, and the chief reason for that, paradoxically, is that companies are increasingly built on shifting inventories of intellectual capital, the very creativity "values" are meant to elicit.

More and more, companies are built on process knowledge that controls production and product development systems, proprietary software, and ways of integrating and outsourcing complex pieces of a value chain—pieces that may reside anywhere. The game is customization; almost nobody makes money from "commoditized" products. So the skillful parts of companies pursue ever more rarefied and far-flung markets; they trade components and know-how with other parts of the corporation (and with their own customers and suppliers). Trade between business units of companies is now the largest part of international trade, producing some

Companies can't provide lifetime employment to employees, nor can they make people fundamentally employable.

unexpected results. Robert Galvin, former Motorola CEO, tells of how Motorola-Israel supplied a water sprinkler monitor for his golf course near Chicago. He hadn't realized his company even made water sprinkler monitors.

Then again, the results are supposed to be unexpected. The great corporation is becoming an umbrella brand, a holding company, and an investment bank; corporate leadership qualifies and funds myriad enterprises, most of which hardly march in lockstep. The former head of Motorola's now-successful China operation explains that every time he made promises to the Chinese government in the early 1990s, he would then have to negotiate with 35 to 40 executives and business unit managers to deliver on his promises. "People complain of the Chinese bureaucracy," he smiled. "Ninety-five percent of my problem was in my own company." In this new economy, mass-production assets are far less important to profitability than innovative knowledge assets—research, software, systems integration processes. Boeing or AT&T are not so much manufacturers of airplanes or telecom equipment and services, as they are masters of proprietary knowledge about, say, avionics and load management. But knowledge assets are the least stable part of any business. They are most easily copied, or recruited away, or superseded by yet newer technologies. Indeed, the primacy of knowledge assets means that companies can get in and out of business much more quickly than ever before—and they must to survive.

All of which means that, although the terms of employment for any particular employee may be more appealing than ever before—more "dignified" and "empowered," to use the Motorola vernacular—it is nearly impossible for companies to be loyal to any home country, or worker pool as before, when mass production meant victory, and bigness shut out rivals. The vertically integrated "command-and-control" company may be on the way out, but the "love them and leave them" holding company is taking its place. Even back in 1991, Haas allowed that Levi Strauss employees had never stopped debating the contradiction between what the company promised its workers in the United States and what it promised people working indirectly for the company in, say, the Far East. [See Richard Rothstein, "The Starbucks Solution," page 36.] No global apparel company can resolve that contradiction.

And high-tech companies, despite their "knowledge" base, are subject to the same forces. In some places, a company is designing software; in others, it is contracting to manufacture circuit boards; in yet others, it is managing a relationship with a supplier of plastic housings. These strategies all change from year to year, entailing very different styles of work and, correspondingly, very different commitments to changing rosters of people. Even the smaller knowledge companies—software, consulting, and design companies—are made up of dozens of initiatives at any given time, initiatives that come and go, and that entail alliances with other companies that come and go. When the product or service comes to market, the job is often over. In Silicon Valley, the average tenure with a company is three or four years.

How can "workers" become and remain employable in spite of so much volatility? Can corporate training programs really close the gap between people who qualify for work and people who do not? Consider what one company actually tried to do. In 1985, Motorola set out to build a cellular telephone "factory of the future" in northeast suburban Illinois, planning to employ some 3,000 hourly workers. When it tested potential recruits—many of them experienced workers from Motorola's mobile-radio facilities in greater Chicago—it discovered that only 40 percent could be certified in basic arithmetic. (Questions included "Subtract 638 from 1135.") Further screening showed that, for better and worse, many who failed the test knew the math but had trouble reading the questions.

This hit management hard. All Motorola plants were expected to be at "six sigma" quality by 1992. Employees would have to log, monitor, and contribute to statistical quality information (using Pareto charts and so forth). To get appropriate flexibility out of production cells, employees would have to perform multiple tasks, read timing and build instructions, or enter data to update the master schedule. In short, manufacturing employees would have to get comfortable with computers, which were becoming ubiquitous in the company. How could they if they could not read at the appropriate level? On the other hand, would it not be an affront to everyone's dignity to fire loyal workers—many of whom had been productive for a generation—for "incompetence"?

REMEDIAL CLASSROOM OR GRADUATE SCHOOL?

Motorola made a courageous decision to define and teach basic skills. At a minimum, Motorola would require the equivalent of a high school foundation in English and math, and the ability to spell out production problems—on the whole, a much more rigorous standard than hourly production workers had ever needed before. By the end of 1988, about 1,500 Chicago-area Motorolans were in classroom courses, both at community colleges and on the company's Schaumburg campus, learning the 3 Rs, largely on company time and at company expense. The company now estimates having spent about \$3 million a year on remedial education on the Schaumburg campus alone.

That was then. By 1995, software and better methods of organization had replaced three layers of middle management. Investing in incremental improvements in the skills of production workers means preparing people, as one senior manager put it, "to try climbing a ladder whose bottom rungs have all but disappeared." The point is, the company's notion of "basic skills" could no longer be governed by the quality routines and manufacturing cells of a 1980s factory. Production has become a matter of integrated process and product design, cyberspace information management, computer-integrated robotics, and computer monitoring of quality process data: Ten people can run a billion-dollar line.

In this new world of production, value is created by globally staffed problem-solving teams—interfunctional groups of 20 to 30 production engineers, sales people, marketing analysts, logistics managers. In these teams, Motorola people mine opportunities to reduce cycle time and costs, improve product designs, or increase responsiveness to customers. In 1988, Motorola instituted a "Total Customer Satisfaction" program (TCS), a part of which engendered a corporate-wide competition for teams to demonstrate the value of their work. More than 2,000 teams were formed by 1990, and more than 3,700 in 1992. Today, there are more than 5,000 teams in the TCS competition.

"People who cannot comport themselves in a team environment will ultimately not be employable," that senior manager argues. "The new basics are the soft skills that make a person effective with

others." By this he means poise in handling time pressure, acceptance of innovation-driven change, the ability to move from job to job. People will not be able to manage the pressures of teamwork without also having a cultivated literacy: They will need to navigate current information technology (i.e., spreadsheets, word processing, the Web), make a succinct presentation, read critically and write persuasively, organize material and communicate their views about it.

Motorola is still committed to training. Nevertheless, says the senior executive, it is not within Motorola's power to make people "trainable." And that is a key distinction. A company should be thought of as a kind of graduate school, not a kind of high school. The skills it imparts should be focused on a particular business's culture and strategy, not the generalized skills that bring unemployable people to a point where they get into the game. Companies can certainly not do much for the perhaps 40 percent of the population who could once count on factory work. By the way, like Motorola, Lou Gerstner's IBM has ceased basic skills training altogether. Deutsche Bank researchers now say that even the vaunted German vocational system is out of date, preparing young people for manufacturing jobs that hardly exist.

What are we to conclude? How, if not through companies, will ordinary people achieve some measure of security? How will they—and their children—become "trainable"? Perhaps it is unfashionable to say so, but that is what governments are clearly for—not necessarily national governments, perhaps, but local governments, which are quickly becoming the most important ones we have. Take the question of worker insecurity. Obviously, a health care system tied to any particular place of employment is odd in a society in which people are constantly changing jobs, or where a great many people can expect to be unemployed for sustained, transitional periods. Pension funds that are tied to the survival of a job in a particular business are downright weird. The *New York Times* recently told the story of a man who worked for Eastman Kodak for more than 20 years and was fired a few months before his pension was vested. This is an outrage against common sense. What local governments should do and, with distributed information

technologies now can do, is organize and manage common risk.

What about training? This is a more complicated story, but the bottom line is much the same. The first thing to be said is that the solution is not mainly a matter of making the technology cheaper. I do not know if Mr. Saffo would appreciate being associated with Newt Gingrich's offhand comment that we should buy our inner-city kids laptops and encourage them to be entrepreneurs; anyway, his solution is strongly reminiscent of it. We might as well cheapen the cost of pianos and tell inner-city kids to make their living playing Brahms.

In fact, educating people, making them trainable, is what governments are now really for. If we are to have a new social compact, it will not be between employers and employees, but between local governments that mentor our children and corporations that create the wealth and help set the standards for them. Our children will need excellent schools, competing with each other to innovate curricula. They will need many more small liberal arts colleges. They will need national service programs that teach them teamwork, diversity, and poise. Our inner-city children will also need thousands of preschool centers, thousands of wellness clinics, hundreds of small boarding schools and summer camps, thousands of Outward Bound-like programs. They will need police and civil guardsmen on virtually every corner. The cost of winning the Cold War will pale by comparison: Educational costs already run about a quarter of a trillion dollars in the United States, much more than the private sector can dream of sustaining.

When Motorola stopped teaching the basics, its leadership began to focus on working with local governments on reforming K-12 education, spending about \$30 million over five years. This is a great deal of money, even for a growing global company. But even if the entire Fortune 1000 spent double what Motorola spends on K-12 counseling and school-to-work programs, that would amount to another \$1.2 billion, or something like half of 1 percent of the national education budget. Granted, businesses can, and should,

be a part of the solution. Many companies—McDonald's, GE Plastics, and others—are supporting school-to-work programs, inviting local high school students into after-school and summer jobs, and teaching them, say, the uses of computers and the basic discipline of work and competition. Businesses should help local governments understand what curricula are really going to be valuable to students.

Nor should we fail to acknowledge how new this positive connection between business and education is. Once, businesses had no interest in raising the common people's level of education beyond what repetitive motions in the factory required. Now—for the first time in industrial history, really—companies need virtually all potential employees to present themselves for work at a level of sophistication equal to that of someone with at least some college education.

Indeed, most senior managers would tell you about the opportunities for growth they are missing because they can't find enough people to train, people who would allow the company to grow as quickly as opportunities grow. Fidelity Investments is now trying to hire 1,000 people a month to fill entry-level, customer relations positions—young people who would be paid about \$27,000 a year to call up files and speak intelligently to customers. It cannot find nearly enough people to fill those jobs in Boston, of all places, the first home of public education.

But none of this means that it is in the interest of any particular company, or within its means, to qualify people for work. The justifiable pride of the "values" school notwithstanding, the boundaries between companies and communities have not disappeared. Rather, it is the boundaries between companies and companies, between countries and countries, that have been eroding, and the result is putting more stress on a manager's bottom line, not less. And even if this stress had not materialized, would companies really be the appropriate context in which to try to solve social problems? Individual companies are not meant to be engines of social good, after all; it is the *competition* among companies that is meant to be the engine of social good. Who wants their

Companies aren't
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engines of social good,
and we shouldn't ask
them to be.

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ARE THESE REALLY VALUES?

This is not the message the people of the new economy want to hear. A great many of us are putting in more hours than the man in the gray flannel suit ever did. We agree to have our voice mail and e-mail follow us home; we socialize at company retreats and work out on the company Nordic Track; we travel the world on the company's nickel. The global workplace is absorbing us as never before, respecting our peculiar genius as never before, *flattering* us as never before. Even as we look over the horizon to the next job, we are feeling more sovereign and rewarded in our companies than would have seemed possible ten years ago. It is pleasurable to think that our companies *are* communities, and that they run themselves by the values we expect to find in society at large.

But when you think about it, the values of a company can never really approximate what citizens mean by values, and perhaps we should not have been calling them values in the first place. Values are supposed to be ends in themselves, not means to competitive material ends—as Kant said, they are supposed to have a dignity, not a price. When Haas speaks of “permission to disagree,” this may resemble freedom of speech, but it is actually subordinated to the hierarchies that are assumed to be necessary for the coordination and instruction required by competition. It is something like what Mr. Gorbachev once meant by *glasnost*. In civil society, “alignment” is meant to foster autonomy and diversity; in Haas’s company, it is the other way around. As for integrity as a competitive advantage, Marx—Groucho, not Karl—may have had the last word a couple of generations ago. “Integrity is everything,” he said. “If you can fake integrity, you’ve got it made.”

But what in the restricted world of a company can ever really be sacred the way, for example, the nuanced ideals of liberty and equality are? Is giving service to customers really the same as helping other human beings? Is working late on a product the same as a love of ideas? When values become the means to winning at market competition, what solace do they give us? And, of all people, do not the people of the fierce new competition need solace? □

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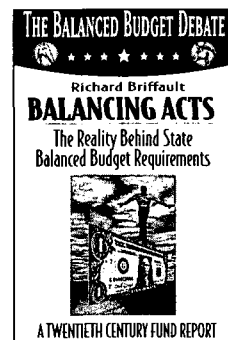
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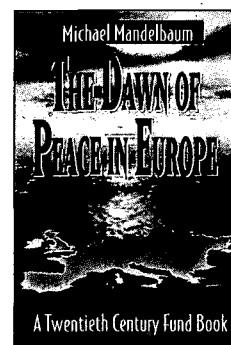
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THE STARBUCKS SOLUTION

CAN VOLUNTARY CODES RAISE GLOBAL LIVING STANDARDS?

BY RICHARD ROTHSTEIN

Soon after protesters leafleted Starbucks stores because its Guatemalan coffee bean pickers earn less than that country's \$2.50 daily minimum wage, Starbucks announced it would henceforth require growers to pay wages meeting "basic needs" of plantation workers. After NBC's *Dateline* filmed children working for Wal-Mart's Bangladesh garment suppliers, Wal-Mart adopted a contractor's

"code of conduct." Following an expose that Levi Strauss contractors in Saipan had virtually enslaved imported Chinese women and paid them less than the legal minimum wage, the company vowed to do future business only with contractors whose workers are "fairly compensated . . . and not exploited in any way." A "toy-cott" of imported Chinese products provoked Toys "R" Us to adopt a code forswearing child labor. Reebok and Nike both now have codes for Third World workers, announced in response to Dutch and American protests (a recent *Nation* article noted that Nike paid Michael Jordan more for promotion in 1992 than it paid in total payroll for 30,000 Indonesian women). J.C. Penney,



Kmart, Liz Claiborne, Nordstrom, Phillips-Van Heusen, Ford Motor, General Electric, AT&T, and many others also now have international sourcing codes, standards Third World companies must meet to qualify for orders from these American multinationals.

Following protests of its 1994 decision to extend China's Most Favored Nation trade benefits, the Clinton administration proposed that all companies manufacturing or sourcing abroad adopt voluntary "model business practice" codes with requirements like "avoidance of child labor," "respect for the right to organize," and a "safe and healthy workplace." (In response to corporate protests, a provision that American businesses pay a "fair wage" abroad was dropped.)

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Considering the very modest content of NAFTA's labor and environmental side agreements, congressional votes to prohibit further negotiation of labor standards in trade pacts, and worldwide resistance to Clinton's proposal to inject labor standards into the World Trade Organization, voluntary codes may be the only way to go. Indeed, voluntarism is apparently the administration's second-best approach to a variety of frustrations. Stymied by declining enforcement resources, Secretary of Labor Robert Reich has jawboned retailers to police their own subcontractors for minimum-wage violations, and published a list of "trendsetters" who do so. In May, Clinton convened a televised seminar of corporate executives to heap praise on domestic firms that voluntarily provide benefits like child care or paternity leave. "I believe the power of example to change the behavior of Americans is enormous," Clinton said. "I want to . . . elevate the good practices that are going on . . . and hope that we can reinforce that kind of conduct." Earlier in his administration, the President was accused of focusing too exclusively on legislative bargaining and failing to take advantage of his "bully pulpit." No longer. Appeals for voluntary virtue are now the administration's answer to congressional reaction and gridlock. Reich says: "If government is going to do less, then the private sector will have to do more."

The issue of Third World labor standards takes on new urgency because of the globalization of commerce. Americans no longer have the luxury of expressing indignation about wages and working conditions overseas solely out of humanitarian concern, although dramatic inequality of incomes worldwide should be as much a part of public policy focus as domestic inequality. Foreign labor is also increasingly in direct competition with U.S. workers, so that when wages and working conditions overseas are excessively depressed, Americans find themselves importing the low labor standards along with the products. Equally important, Third World workers do not share in the fruits of their own labor. They are unable to afford consumption of

either their own products or our exports, contributing to a looming crisis of international supply-side glut: lots of products with not enough people to buy them. If American participation in the new economy is to be based on promotion of exports, it is shortsighted and self-defeating to ignore the extreme forms of labor exploitation that inhibit the emergence of a worldwide consumer class.

Voluntary codes for multinationals' foreign operations are not an entirely implausible alternative to regulation: Recent codes have occasionally improved conditions of Third World workers. Levi Strauss, for example, reported it stopped doing business with

35 of its 700 or so worldwide contractors who failed to meet its new standards, and pulled out of China and Burma entirely. Some other firms now, in obedience to codes, use less child labor and may be less repressive towards union activists. In the absence of meaningful labor regulation or collective bargaining in developing nations, voluntary labor standards keep a spotlight on exploitation and may lead to demands for more effective action. The problem is that these codes are voluntary. Without adequate enforcement, codes can be mere public relations ploys, misleading consumers that workers' rights are actually respected in production.

REVEREND SULLIVAN REDUX

Today's voluntary codes are partly inspired by the 1977 Sullivan Principles for investment in South Africa. Philadelphia civil rights leader Leon Sullivan had organized a 1960s boycott of retailers who discriminated in employment, and he subsequently established skills training centers for black youth in 125 American cities and 8 African nations. In 1971 when General Motors was pressured to diversify, Rev. Sullivan was invited to become the automaker's first black director. At his initial GM meeting, he challenged management by arguing in favor of a church-sponsored resolution demanding divestment of GM's South African operations.

In 1975, Sullivan met in South Africa with black leaders who asked him to stop pressuring

Without adequate enforcement, codes can be mere public relations ploys, misleading consumers that workers' rights are actually respected in production.

American firms to leave the country and urged him instead to fight apartheid from within by making multinationals "agents of change." Despite opposition from other black leaders who supported divestment, Sullivan decided to give it a try. He developed six principles for American investment in South Africa: integration of eating facilities and restrooms; nondiscrimination in employment; equal pay for comparable work; training programs to move blacks into supervisory jobs; more black supervisors; and corporate support for improvements in blacks' housing, schools, and health facilities. Sullivan then demanded that GM and other firms sign on to these principles. Wearing of anti-apartheid demonstrations and boycotts, and fearful of possible legislation or executive orders to force divestment, 12 multinationals signed on initially and by 1985, 173 of the 300 American firms doing business in South Africa had committed. Subsequently, Sullivan amended the principles to include pledges to recognize black labor unions where they existed, to publicly oppose apartheid, and to pay a fair minimum wage. In the absence of a government standard, Sullivan defined this as the minimum needed to support a family of five, based on market-basket surveys of black townships by Johannesburg economists.

The anti-apartheid movement mostly condemned Sullivan's principles. Activists believed the principles lent legitimacy to apartheid by ameliorating its conditions while avoiding real pressure on the regime, which they believed could only come from divestment. And, they pointed out, the principles' potential for amelioration was itself limited. In 1984, Sullivan signatories' combined unskilled workforces were 99.6 percent nonwhite; managers were 5 percent nonwhite. "Equal pay" meant little if black and white South Africans rarely did comparable work. Desegregated restrooms in de facto segregated work areas were devoid even of symbolic effect. And while Sullivan signatories contributed nearly \$300 million to public works (like improving African schools), this did relatively little to improve living conditions of 25 million black South Africans.

By 1985, Sullivan concluded that maybe his critics were right. He announced that if apartheid wasn't dismantled in two years, he'd denounce his principles and demand divestment. It wasn't. He did. Though companies tried to maintain the principles without Sullivan, his conclusion that this

alternative to divestment had failed hastened apartheid's downfall. Sanctions became inevitable.

In retrospect, the Sullivan Principles may have contributed more to the anti-apartheid struggle than activists acknowledged at the time. For while the codes did help multinationals deflect demonstrations, shareholder protests, and boycotts, it is improbable that major American firms were ready to succumb to anti-apartheid demands and divest in the late 1970s. It may be that political conditions for sanctions could not exist until multinationals had been given a chance to attempt gradual reform, and failed. Creation of protected zones (for black trade unions, for example) in some American-owned factories may also have chipped away at Afrikaner morale and will to resist. But whatever success we may now attribute to Sullivan's principles, the outlook for today's codes is less hopeful. Sullivan Principles were superior.

Sullivan had a single set of rules to which he demanded corporate assent. While the principles were sometimes compromised during Sullivan's corporate negotiations (he proposed, for example, that signatories commit to union shops, but dropped this when it became apparent that nonunion corporations in the United States would refuse to commit to unionization in South Africa), once Sullivan proclaimed a principle, companies could not separately dilute it. When, subsequent to the original proclamation, Sullivan several times toughened the principles—"raising the bar," he called it—the higher standards were uniform and signatory firms had to comply.

This made it possible to have a consistent monitoring system, understandable both to the companies themselves and to the anti-apartheid movement. Sullivan hired the consulting firm Arthur D. Little (ADL) to conduct the evaluations, with fees paid by a levy on each Sullivan signatory. ADL Vice President D. Reid Weedon rated each firm annually on a scale of I ("making good progress"), II ("making progress"), or III ("needs to become more active"), passing those who got "I" or "II," and flunking the others. Certainly, bargaining for favorable ratings was carried on by the most influential corporations, and firms like GM, Ford, and IBM passed with flying colors. Yet the ratings weren't all phony either. While Weedon's grades were based mostly on company questionnaires, covering quantifiable data like the number of black and white employees in each job category, he and

his team also traveled frequently to South Africa to conduct inspections and to advise managements on compliance—how to desegregate facilities, implement a minimum-wage policy, bargain with a labor union, and so on. There were many failing grades (Carnation, Celanese, and W.R. Grace, for example), some South African managing directors were fired by U.S. parent firms when subsidiaries flunked, and some South African businesses raised wages to compete for labor with American companies that paid Sullivan's minimum wage. In 1980, company resentments about Weedon's demands (and about the burdens of responding to his annual 55-page questionnaire) became so intense that Sullivan signatories refused to pay fees. Weedon temporarily withdrew, but because public opposition to apartheid was sufficiently strong, the multinationals felt obligated to resume their payments, and Weedon resumed his role.

TRYING TO BE HELPFUL

Today's post-apartheid codes don't have the advantage that identification with a single leader like Leon Sullivan could provide. Codes now vary, ranging from Sears's modest pledge to "comply with all applicable local" laws to Levi Strauss's commitment that its contractors' employees will be "fairly compensated and not exploited in any way." These promises have no external monitor, let alone enforcement. The administration has done little to follow up on its 1995 "model business practices"—by May of this year, there was still no official at the Department of Commerce (the cabinet agency charged with implementation) who was familiar with the program. But codes have become fashionable, and a plethora of nonprofit groups devote themselves to encouraging companies to develop and promulgate offshore labor standards:

- The Council on Economic Priorities (CEP), publisher of a "shopping guide" for consumers on environmentally responsible companies, now lobbies corporate officials to develop more effective codes (particularly on child labor), and publishes an online evaluation of existing codes for institutional investors, soon to be included in its regularly published "Shopping for a Better World." But CEP does no independent evaluation of whether company codes are enforced. At its annual "Corporate Conscience Awards" dinner in June, CEP honored Starbucks for "its responsiveness to

protests on behalf of Guatemalan workers," although Starbucks itself has not announced how it will calculate a wage level that assures the "basic needs" of peasant laborers.

- The Interfaith Center on Corporate Responsibility (ICCR), which played a leading role in the anti-apartheid fight (coordinating money managers' demands for divestment at shareholder meetings), now disseminates "benchmarks" for corporations wishing to evaluate their codes, and for church-related pension funds wishing to base investment on corporate sourcing conduct. ICCR's model resolution includes a commitment that "our company should be in a position to assure shareholders that its employees are paid a sustainable community wage which enables them to meet basic needs, set aside money for future purchases, and earn enough discretionary income to participate in support of the development of small business in a local community." Needless to say, no company has yet adopted such a resolution. The Securities and Exchange Commission (SEC) has advised managements that they are free to deny votes on such resolutions because wage levels and personnel practices are not a "policy" matter, but simply "ordinary business" considerations. (Labor rights advocates hope recent Clinton SEC appointees will reverse this decision, but there's no evidence yet that they will do so.) Nonetheless, many corporations, feeling public pressure and wary of lawsuits, have permitted resolutions on less specific workplace standards to come to a vote.

- Business for Social Responsibility (BSR) (with the incantation "running a company in a socially responsible manner isn't just the right thing to do, it makes good business sense") encourages member firms to adopt codes, and provides assistance in writing and promulgating them. BSR hopes to maintain an inventory of firms who adopt the administration's "model business practices," but no specific arrangements have yet been made.

- The Investor Responsibility Research Center (IRRC) was founded in 1972 by the Ford, Carnegie, and Rockefeller Foundations to advise them on public policy issues where their shareholder votes could play a constructive role. IRRC is also a veteran of shareholder fights to force divestment in South Africa, and of a 12-year campaign of shareholder resolutions to force U.S. firms to adopt the MacBride Principles—commitments (also voluntary) to practice affirmative action policies for

Catholic employees in Northern Ireland. The IRRRC recently received a Ford Foundation grant to produce an inventory of contemporary corporate codes and evaluate whether they are an "effective mechanism for promoting worker rights and advancing workplace standards in developing countries." The grant, however, only includes funding for two research trips, one to El Salvador or Guatemala and another to Botswana, so the IRRRC's evaluations will necessarily be imprecise.

Other groups have been playing roles as well. UNITE!, the garment workers union, has a provision in its contract with men's suit manufacturers that permits subcontracting only to plants that "provide a living wage defined as a specified market-basket of consumer goods." But public pressure to improve working conditions in developing nations is not now great enough to support demands that firms sign a common code, nor is there someone like Sullivan with the moral credibility to demand they sign on his terms. And while apartheid was a clear and easily identifiable evil, there is today no consensus among advocates about what a Third World sourcing code should contain. Agreement on avoiding child labor is relatively easy. But who will decide what is a "sustainable community wage"?

PIECEMEAL ENFORCEMENT AGREEMENTS

A few firms have their own inspectors who visit Third World factories, but most simply instruct buyers to inquire about labor standards when negotiating orders. And this usually entails nothing more than asking local management if it employs children and keeps fire exits clear, then dutifully recording the answers on compliance forms. Other buyers may walk through factories prepared in advance for their visits by herding children to another floor or into a restroom. A buyer in Bangladesh for Kmart and Wal-Mart, both of which have strong codes of conduct, boasts that he routinely certifies all factories as meeting company standards because "all the companies care about is the bottom line." A buyer for Liz Claiborne recently canceled Sri Lankan factory orders because poor lighting didn't meet the company's health and safety code; the buyer then contracted with a Hong Kong intermediary who in turn orders from the very Sri Lankan factory that the buyer himself just canceled. Now it's the intermediary's responsibility

to verify compliance, not the Claiborne buyer's. A *Wall Street Journal* article last year ("Conduct Codes Garner Goodwill for Retailers, But Violations Go On") noted that even inspectors from Levi Strauss, one of the most progressive U.S. firms, "don't delve too deeply to avoid offending factory owners."

In three unusual cases, firms have agreed to outside monitoring. They illustrate the difficulties of a case-by-case approach:

Case One: Empresa Mandarin, an El Salvador garment plant constructed six years ago with U.S. Agency for International Development funds, pays wages of about 56 cents an hour and uses a private armed force to inhibit unionization.

Mandarin workers, many of whom live without running water or electricity in corrugated cardboard and tin shacks placed on vacant land along roadsides or polluted river banks, first attempted to unionize in 1993. In response, Mandarin fired all union leaders. In 1995 workers made another attempt. Notified by the Salvadoran government that a legal union had been formed, management locked out its 850 workers, some of whom were then attacked and beaten by security guards.

When the lockout ended, Mandarin workers were told to renounce unionization or be fired. About 150 who refused were then discharged. The remaining workers protested the illegal firings and the company again locked them out. A day later, management agreed to respect the country's labor code but then fired another 50 unionists.

Mandarin was producing at that time for The GAP, Eddie Bauer, J.C. Penney, Dayton Hudson (DHC), and other retailers. At DHC's shareholder meeting, an investment fund for several religious organizations demanded that the company require that its off-shore vendors respect employee rights to organize and to receive a "living wage." In response, DHC adopted a vague corporate policy to do business only with suppliers whose workers "have agreed to their compensation" and "who are not exploited." The GAP also adopted a code requiring vendors to "utilize fair employment practices" and prohibiting doing business with those who use "physical coercion as a form of discipline." J.C. Penney's rules demand "strict compliance with all applicable laws and regulations of the countries of manufacture."

Despite these codes, conditions at Mandarin

didn't change, although inspectors from The GAP, Eddie Bauer, and Liz Claiborne inspected the Mandarin plant three times in 1995 and claimed they could find no violations. So the National Labor Committee, a project of UNITE!, took two fired Mandarin workers on a public speaking tour across the United States. The U.S. retailers subsequently announced they would no longer do business with Mandarin, but the Labor Committee, focusing on The GAP, intensified its campaign. It demanded that The GAP continue to outsource to Mandarin and other Salvadoran suppliers and that it use its relationship with its suppliers to pressure them into honoring The GAP's conduct code (including rehiring Mandarin unionists) and agreeing to independent monitoring to verify compliance. Last December, succumbing to demonstrators' demands during the Christmas shopping season, The GAP agreed, though it restricted the role of independent monitoring to El Salvador and neighboring Latin American countries. The Labor Committee, associated church groups, and GAP management chose the "Human Rights Ombudsman Office" in El Salvador as the monitor. To date, however, Mandarin claims it has not received enough new orders from The GAP to justify rehiring the workers.

Case Two: After several years of a public campaign by U.S. activists protesting child labor, Senator Tom Harkin and Representative George Brown proposed legislation in 1994 to prohibit imports manufactured by children. Meanwhile, the AFL-CIO assisted the organization of an independent union of garment workers in Dhaka, Bangladesh. The prospect of Harkin's bill, together with the union's threat to publicize child labor to American consumers, so frightened the Bangladesh Garment Manufacturers and Exporters Association that it negotiated a Memorandum of Understanding with UNICEF and the International Labor Organization (ILO) to end employment of children under age 14. Signed a year ago, the agreement requires each manufacturer to subsidize schools for previously employed child workers, to pay stipends for those who leave factories to attend such schools, and to permit the ILO to "devise a labour inspection system in co-operation with the Government of Bangladesh." To date, however, no stipends have

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wage"?

been paid. While the ILO has made some factory inspections (and found children working), no mechanism has been established to correct or report the violations. And child labor is but a minor aspect of corporate code violations entailed in Bangladesh subcontracting. Many adult laborers work 17-hour shifts six and seven days a week, earn considerably less than Bangladesh's legal minimum wage (about \$25 a month), and are denied compensation for overtime. ILO monitors are not chartered to inquire about wages or working hours, only about children's ages. Since the signing of the Memorandum on July 4, 1995, Bangladesh has often been paralyzed by political strikes. Continued crisis may destroy the nation's garment industry, preventing any real test of the efficacy of the

novel agreement, even for its limited purpose of regulating child labor.

Case Three: German human rights groups have protested the import of carpets made by children in Indian, Pakistani, and Nepalese factories. Many of these children are bonded laborers, sold by parents or kidnapped by labor contractors. Joining with human rights groups in India, the German activists formed the Rugmark Foundation, which issues a label to certify, based on a foundation inspection, that carpets were produced without child labor. Inspections are now ongoing, although the huge number of child workers make large-scale evasion probable. A far greater problem for the Rugmark Foundation is how to advertise the label to German, Swiss, and American consumers; unless buyers discriminate in favor of carpets with labels, Rugmark will lose whatever credibility with manufacturers it now possesses.

These three lonely examples of code enforcement illustrate how difficult the current piecemeal approach will be. Each depends on public attention and consumer pressure focused on a single country or distinct part of the broader labor standards constellation. But there is a limit to consumers' ability to juggle multiple boycotts, while code violations by distinct companies or in distinct countries are too numerous to count. Separate public campaigns around several simultaneous violations will inevitably conflict and confuse. Rev. Sullivan had a difficult enough time maintaining pressure on

investors in a single country to abide by a single code. Today, where each firm's code is unique, where monitoring rights are won only to remedy discrete and highly publicized violations, it is difficult to imagine how threats of future consumer or shareholder power can be maintained. Without greater coherence, corporate codes are unlikely to significantly influence Third World labor standards.

And what if, even in these circumstances, some battles are won? Imagine, for example, that the ILO-inspired Bangladesh agreement makes garments sourced in that nation truly child-free. The AFL-CIO, National Consumers League, and others who originally promoted a boycott of Bangladesh garments will have to decide whether they should now promote the purchase of these products—no longer made by children but by adult workers paid sub-minimum wages and denied the right to organize. Unless labor rights advocates promote purchase of products made in compliance with the child labor agreement, threats to compel concessions in future disputes will be hollow. Even where labor standards are honored by Third World contractors, wages in developing nations will for many decades continue to undercut those of American workers. American unions and their allies who are now in the forefront of the movement for international labor standards have not yet confronted the implications of possible victories. Implicit in any boycott is a commitment to purchase once demands are met. Are activists prepared to promote purchases of goods that many unionists will continue to regard as “unfairly” manufactured?

WHO MONITORS?

Those now encouraging voluntary corporate standards acknowledge the inevitability of code corruption without independent monitors. But without militant public pressure for effective Third World labor standards, American corporations have adamantly refused to consider external enforcement, while groups like CEP, ICCR, BSR, and IRRC, committed to nonadversarial corporate encouragement, can do little but gently wonder aloud how codes will be enforced. Reid Weedon, now retired from Arthur D. Little, was recently approached by several public pension funds exploring his willingness to establish a Sullivan-like monitoring system for firms in which the funds invest. Weedon is intrigued by the prospect, but there is no evidence that pension funds yet have

the determination or the votes to force this mechanism on managements.

Meanwhile, Heather White, a onetime outsourcing agent for apparel companies, has founded a consulting firm to verify compliance with corporate codes. Her business plan for VERITE (Verification in Trade and Export) includes hiring human rights activists in Third World countries to inspect plants and report on code violations. The contract she now pitches to multinational corporations includes a provision that permits VERITE to publicize uncorrected violations six months after they were brought to corporate attention. White has the right idea, and she's highly regarded by groups like Business for Social Responsibility, but none of BSR's member firms have expressed serious interest in hiring her for this purpose.

But opportunities may develop. Last month, after embarrassing publicity about her private label garments manufactured in domestic sweatshops, as well as by children in Honduran plants, Kathie Lee Gifford announced she would hire an “independent” monitor for factories producing her apparel line for Wal-Mart. Wal-Mart itself then announced for the first time that it now “is considering” hire of “independent” monitors. Gifford held a press conference with New York Governor George Pataki as the latter pledged to introduce legislation banning the sale of garments manufactured by underpaid workers. New York, however, is in no position to dispatch inspectors to thousands of Third World sweatshops now feeding New Yorkers' hunger for fashion. If public pressure is maintained, and legislation is actually adopted, some monitoring operation will have to be created.

As production globalizes, ineffective labor regulation makes nongovernmental standards the only truly viable alternative. Multinationals rush to publicize their codes to deflect bad publicity, while church and labor activists, along with foundation and pension fund investors, nearly trip over each other to be helpful. If the “era of big government is over,” these private initiatives to develop a worldwide civil society must proceed. But without fear of public and consumer pressure, corporations will have little incentive to make codes real. The success of these efforts to improve labor standards depends on mobilized outrage when they fail. Today, the exercise is too friendly, and lacks the uniformity, the rigor, and the external monitoring needed for success. But it's not a bad start. □

DRIFT OR MANDATE?

BY WALTER DEAN BURNHAM

The American political system has been passing through one of its rare bursts of sweeping convulsive change, culminating thus far in the electoral earthquake of 1994. That midterm election abruptly terminated a reasonably stable institutional balance, major parts of which had lasted for more than 40 years. Only five years ago, the Oxford professor of American politics, Byron E. Shafer, could credibly describe this system in these words:

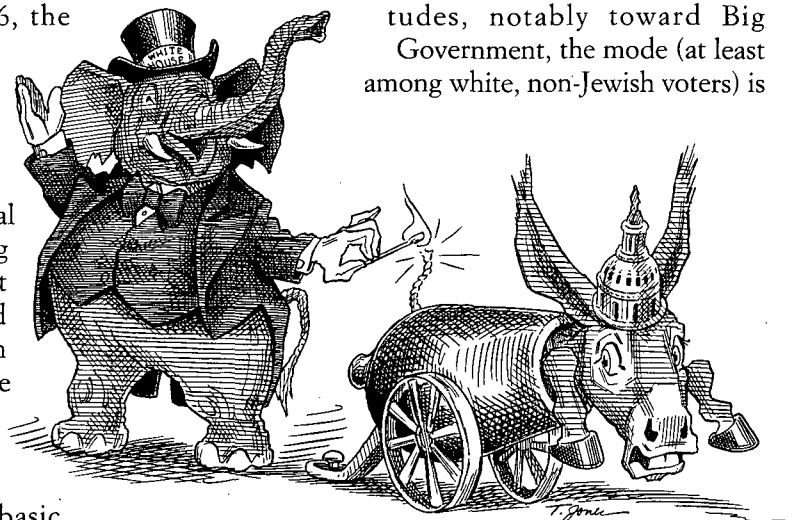
In the current era, the presidency is about foreign policy and cultural values. The House of Representatives is about social welfare and service provision. And the Senate is amenable to both concerns, while leaning toward the latter. There is a conservative majority in the nation . . . on issues of foreign policy and cultural values, and the presidency is accordingly Republican. There is a liberal majority in the nation on issues of social welfare and service provision, and the House of Representatives is accordingly Democratic. Either majority can reach into the Senate, but the tendency of that institution to focus more on welfare and services than on foreign relations and cultural values means that it is more often Democratic than Republican. Yet both political parties are dedicated to maintaining these arrangements, albeit in spite of themselves.

Few would describe Newt Gingrich's House of Representatives today as being "about social welfare and service provision." Fewer still would suppose that both parties "are dedicated to maintaining" the arrangements Shafer describes. Today it is Congress that is Republican and the presidency that is Democratic. And in mid-1996, the prospects for Bill Clinton's re-election over Robert Dole seem remarkably robust.

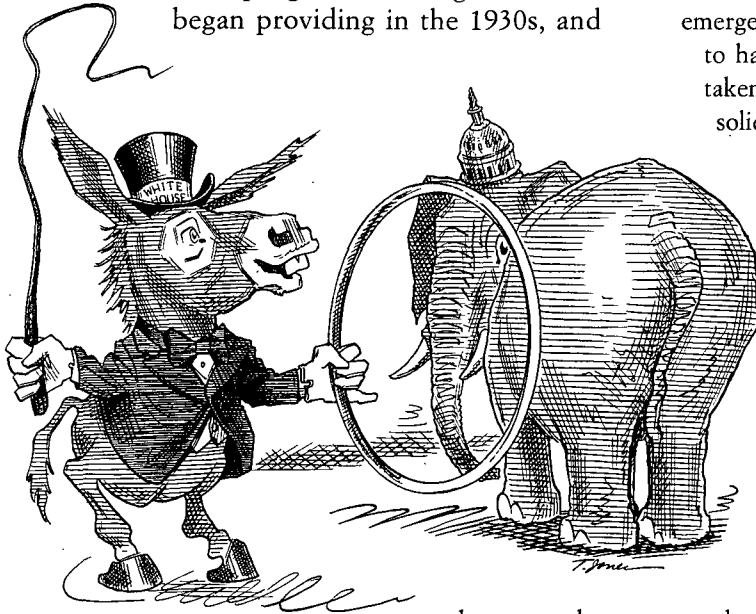
Reversals of this magnitude are rare. Occurring suddenly and often unexpectedly, they scramble previous rational calculations. At such times, it is striking how rapidly essays among even the best and brightest of us can become period pieces, guides to what is not happening in politics today. Our task here is to explore some of these institutional consequences and their implications for 1996 and the years ahead.

Despite the earthquake of 1994, a basic

reality of American public opinion, noted by Lloyd Free and Albert Cantril in 1967, remains in place. As Free and Cantril famously observed, Americans tend to be operational liberals and ideological conservatives. If respondents are asked questions tapping into general ideological attitudes, notably toward Big Government, the mode (at least among white, non-Jewish voters) is



conservative. Such antistate values have been embedded in the political culture since the American Revolution. But if respondents are also asked concrete policy and service-delivery questions, the mode is liberal. Most of these respondents have wanted collective goods—in other words, programs—that government began providing in the 1930s, and



that only government could provide. Infuriating to tidy-minded intellectuals of left or right, this bifurcation into two distinct and potent opinion modes has shown astonishing tenacity over the years. There is little reason to suppose that the 1994 election has done away with it. An earlier great realignment—that of the 1960s—inaugurated a process that polarized the two major parties along this dimension. Republicans became increasingly the party of ideological conservatism, with two major “pulses” (Barry Goldwater’s nomination in 1964, Ronald Reagan’s nomination and election in 1980) mightily accelerating the process. Democrats were more and more the program-creating, service-delivery party of operational liberalism. This, connected with the structural transformation of the parties themselves and the emergence of candidate-centered campaigning, produced the unprecedented institutional specialization that Shafer and others have described.

The most significant structural feature of the post-1968 regime-order was the emergence of divided government as a normal state of affairs. The policy consequences of this development were monumental—most dramatically the quadrupling

of the national debt within a dozen years, creating a cumulative barricade against further development of the programs central to operational liberalism. As Gary C. Jacobson observed in his penetrating analysis of the 1992 congressional elections,

Divided government in the Reagan-Bush years emerged from the electorate’s unwitting attempt to have its cake and eat it too. Poll after poll taken during the 1980s and early 1990s found solid majorities in favor of an imposing combination of low taxes, generous social spending, and a balanced budget. It is hardly surprising that, given a choice, people would declare themselves for benefits and against costs. The surprise is that electoral politics in this era gave them the option of voting simultaneously for Democratic congresses so they could receive the benefits they enjoyed, and Republican presidents so they would not have to pay for them.

It is unsurprising that this formula proved politically unsustainable. Another theme central to this story is a constitutional one developed with particular clarity by Yale legal scholar Bruce Ackerman in his 1991 book, *We the People*. American history, according to Ackerman, has been punctuated by three “constitutional moments,” those of the Founding (the 1780s), Reconstruction (the 1860s), and the New Deal (the 1930s). Each of these latter events so substantially reshaped the operational meaning of the document of 1787 that it created in effect a new “American republic.” But, as we shall see, very special conditions must be met before such moments can be said to occur: Just as there can be failed critical realignments, so it is also possible to have aborted constitutional moments.

The Republicans of the 104th Congress see themselves as having a forceful mandate “direct from the people” to produce another such constitutional moment. The goal is the substantial dismantling of the strong federal government created and given judicial sanction in the 1930s—the creation of a fourth republic on the ruins of the third. In 1994-96 this thrust produced a number of concrete policy initiatives, including

not only the Republican budget and Contract with America but also Supreme Court decisions that rediscovered virtues in pre-1937 jurisprudence long thought to be extinct. Thus, it is not for nothing that Republican presidential candidate Dole has been advising people to take out copies of the Tenth Amendment and re-read it.

As we all know, much of this initial transformative push was halted in its tracks by President Clinton's use of the veto power. Confusion ensued in Republican ranks; they were forced to resort to a coercive strategy—shutting down the government, threatening default on payments on the national debt—that clearly backfired. Acutely polarized stalemate dominates the institutional scene, while opinion negatives both for House Speaker Gingrich and the Republican Party generally have climbed considerably.

The failure of the congressional Republicans to consolidate their gains nicely confirms Ackerman's insight. As our history demonstrates, constitutional "revolutions" in American politics require what he calls "extended deliberation." Those who propose a constitutional revolution cannot achieve their goals by winning only a single election. Repeated victory is required, for the Constitution itself stands as a great breakwater against parliamentary decision-making.

Perhaps it was assumed by the new majority's leadership that the President would go along with their republic-changing program, or that he could somehow be steamrolled. But the Constitution prescribes fixed terms of office, and the full use of their power by officeholders—including presidents—until the moment when they are replaced by others. So much for elementary Government 101, enriched by Professor Ackerman's important gloss. After a prolonged feint in the direction of acquiescence, Clinton in the end did not go along, and—unlike the very rare situations under Andrew Johnson (1866-69) and Harry Truman (1947-48)—the votes were not there to override most vetoes. The failure of the government-shutting campaign during the winter of 1995-96 also demonstrated that the President could not be steamrolled. Out of this stalemated situation a rare bipartisan consensus emerged; subsequent developments would have to await the results of the 1996 elections. The issues at stake make these elections of enormous substantive importance quite apart from the candidates. Before dealing more fully with 1996, it is worth consider-

ing what seems likely to survive—to be a durable part of a newer political order—regardless of whether Clinton or Dole wins in November.

Most likely to endure is the partisan polarization of Congress. *Congressional Quarterly's* surveys of 1995 roll calls document a story that became clear almost from the moment the 104th Congress assembled. In 1995 the percentage of total recorded votes in which a majority of one party was opposed to a majority of the other climbed smartly to 73.2 in the House and 68.8 in the Senate. Both are all-time highs in a series that extends back to 1954. Indeed, as Texas A&M political scientist Patricia Hurley has pointed out, if these levels of partisanship hold up for the whole of the 104th Congress, they will mean a degree of partisan polarization not seen since 1909-11 in the House and 1921-23 in the Senate.

To realize how far upward we have come, it is worthy of note that an all-time low was reached as late as 1968-70—27 percent in the House, 32 percent in the Senate. Even in the first half of George Bush's administration (1989-90), the partisan-vote scores reached only 49 percent and 35 percent respectively in the House and the Senate. It is also notable that extensive rules changes were adopted in the House. Centralized decision power is now vested in the majority leadership to a degree not seen since Speaker Joseph Cannon's wings were clipped in the St. Patrick's Day revolt of 1910.

In part, the quasi-parliamentary situation in the 1995 Congress is the culmination (so far) of longer-term processes by which each party has progressively lost its deviant tail—liberal Republicans, conservative Democrats. The party unity average scores (for both chambers) compiled by *Congressional Quarterly* reveal a 15-year trend toward only slightly elevated levels on the Republican side (1975-90), but a conspicuous rise among Democrats in the early 1980s—undoubtedly in response to the challenge of a Reagan presidency. From then through 1993, indeed, Democratic legislative cohesion in Congress usually exceeded the GOP's. It is in the 1990s—even before the 104th Congress—that this Republican cohesion dramatically improved, from 74 percent in 1990 to 83 percent in 1994. The process of Republican consolidation was virtually completed in 1995, with a score of 91 percent; the Democratic score, on the other hand, fell modestly to 80 percent.

There are various ways of presenting this picture.

One-third of the 148 white Democrats, a little more than one-fifth of all Democrats, but only 1 percent of the 236 Republicans, voted with their party less than three-quarters of the time; for the House as a whole, the figure in the center is only 10.8 percent (47 out of 434 members, excluding the Speaker). On the Republican side, only 9 of 236 members followed the party line less than 80 percent of the time. Still, the lowest scorer, Representative Constance Morella, Republican of Maryland, gave it a 65 percent support. She and eight of the other low scorers came from the former bastion of moderate Republicanism, the Northeast. Even so, 37 of the 45 GOP representatives from this region—the other four-fifths—lined up with the party majority at least 80 percent of the time.

The younger the entering cohort, the more its members tend to cohere behind the GOP party majority (no such trend seems to exist on the Democratic side): 78.6 percent of Republican members elected before 1992 supported the party majority on these partisan roll calls at least 90 percent of the time. The score for the 1992 sophomore class rises modestly to 80; and for the notable freshman class of 1994, to a more impressive 85.9 percent. And barely less than half of the House GOP consists of members elected in 1992 or later, while even among the Democrats three-eighths of the party are freshmen or sophomores. So much for term limits!

Among white Democrats, there is substantially less cohesion than among Republicans, but considerably more than prior to 1995. A chief feature of the story here is, of course, a long-term secular trend toward Republican legislative strength in the South, through either defeat of conservative white southern Democrats or capture of open seats vacated by them. Here the Republican trend was decisively accelerated in 1994. A 1992 Democratic regional lead of 33 (85-52, including Kentucky and Oklahoma in the South) was replaced by a Republican lead of 9 following the 1994 election (64-73). This is the first such outcome since the initial Reconstruction elections of 1868-69. The Republican lead was then expanded by the defection of 5 sitting conservative southern Democrats in 1995, increasing the regional Republican lead to 19. In the 104th House of Representatives, only 38 white southern Democrats remained, along with 17 African Americans and 4 Hispanics. And outright pro-Republican deviants on the CQ party unity score numbered just 6 of these 38.

The implications of this continuing and accelerating southern realignment toward the GOP are far-reaching. Having now thoroughly spread to the level of congressional elections, the effects of this shift are also likely to be permanent—as will be the generally high level of Republican legislative cohesion. In fact, there is every reason to suppose that this surge has not yet fully run its course. Another Republican gain of half a dozen southern open seats, perhaps more, seems quite likely in 1996. This points toward major difficulties for Democrats attempting to regain control of the House this year, for a recapture of virtually all the non-southern seats lost in 1994 would produce at best only the barest of party majorities. There was a mean Democratic lead of 81 in the whole House between 1980 and 1992. Nearly half of this lead was produced by a southern margin of 39. With anything approaching a 39-seat Republican lead in the South, the Democrats must do as well elsewhere in the country as they typically did before 1994 just to break even.

Evidently, we are well on the road to a goal ardently desired by generations of political scientists and other critical observers of American politics—a responsible party system with sharply defined differences between the two major contestants. To the extent that congressional elections now provide a normal condition of closely balanced and sharply polarized legislative parties, the centripetal force of intraparty cohesion will likely be intensified, and the issue distance between the two contestants maximized. To this extent and on this dimension, realignment has already occurred. Whether liberals of the party-responsibility school will be happy with the consequences of its achievement may well be debated.

Whence this surge toward this explosively polarized world? Two factors deserve special note. First, this decade has been marked by a vast boiling over of public wrath directed against established parties, politicians, and policies. Fundamental to this development has been long-term stagnation or decline of real income among widening segments of the electorate. Equally fundamental are the social effects of the current burst of capitalist revolution—downsizing, job termination, and job substitution from better to less well paid. The result is a pervasive anxiety for the future of oneself and one's children. Established politi-

cians of both parties, including Presidents Bush and Clinton, have seemed caught in the grip of surging economic forces that they cannot control—and, what is worse, forces that no one wishes to discuss, much less come to terms with. The theology of the market is firmly in the ascendant, from economics departments to radio talk show hosts. Stress abounds, but democratic politics as a means of coping with it seems increasingly excluded in practice.

The search for answers thus feeds into a politics of repudiation with much attention being paid to candidates at the fringes of politics who promise answers: thus Ross Perot in 1992, and Patrick Buchanan in the Republican contests of early 1996. One good rule of politics is that when a vacuum of this sort comes along, entrepreneurs will come along to exploit, and if possible, fill it. The more disturbed the sense of loss of control over individual and family destiny becomes, the greater the impact of these entrepreneurs is likely to be.

But there is more to the story. The distancing effect, alienating large parts of the public from politics and politicians, grows directly out of fundamental changes in the parties as institutions that occurred in and after the critical realignment of the late 1960s. John Aldrich's recent analysis (*Why Parties?*) of the transition from the old cadre parties that go back to Martin Van Buren's time to newer "parties-in-service" to candidates is particularly relevant. Linked to these changes, in Aldrich's analysis, is a fundamental shift in the identity of major benefit seekers closely associated with party operations. The older "labor-intensive" parties were densely populated with people chiefly interested in divisible material benefits—jobs, patronage, and the like. The mode of operations is well captured in the title of a book by Milton Rakove on Chicago's Daley machine: "We don't want nobody nobody sent." Candidates as well as others worked their passage within a tightly organized structure of action. The newer "capital-intensive" parties, on the other hand, became increasingly populated with a second type of benefit seeker. Typically more upscale and better educated than their predecessors, these were people who were primarily interested in policies and party as only a means to achieving the policy goals they favored. Closely linked with this new type of benefit seeker is much greater receptivity to broad-

er political ideology. And, as Alan Ehrenhalt has recently noted, the answer to the question, "Who sent these candidates?" is "They sent themselves."

You can't do policy in any authoritative sense without getting elected. Candidates in this newer world must first deal with the party-nomination process, where policy and ideological activists are particularly thick on the ground. But candidates recognize that somewhere close to the center is where elections are usually won or lost—though ascertaining where that center is in an electorate with two opinion modes is no simple task. Thus Richard Nixon could once advise Senator Dole to run to the right to get the Republican nomination, and then run back again to the center during the general-election campaign. (It will be interesting to see whether, or to what extent, Dole follows that advice in 1996.)

The activist pull on candidates away from the center and toward their own more polar policy-ideological agendas has grown systematically more intense, particularly since 1980. Sometimes the activists themselves directly enter and win an important election as candidates, as was the case in 1994 with Senator Spencer Abraham, Republican of Michigan. The 1994 Republican freshman class seems particularly populated with members who had no prior legislative experience (26 out of 73) and no experience with the local activist network more generally.

All this produces a severe and evidently growing dissonance between what the campaign producers offer and what much of the consuming voting public seems to want. If one adds this dissonance to the sociological implications of shifting upscale from Type I to Type II activists of Aldrich's analysis, the public dislike—some would call it hatred—of politics becomes much easier to understand. It is very doubtful that many voters care either about saving whales or about product liability reform. They tend to want practical solutions to very practical and important problems they encounter in their lives.

At the same time, the disappearance of lift-all-boats economic growth and a pervasive public sense of eclipse of traditional values ordering society have contributed to a search for ways to escape the impasse. The party of ideological conservatism provided one set of ways in 1994. The party of operational liberalism had very little to offer in response. Programs no longer seemed enough, and the Democratic congressional establishment was effectively targeted as corrupt, self-interested, and

out of touch. But the mismatch between a relatively centrist-bent electorate and a new crop of polar ideological politicians and benefit seekers has by no means been reduced thereby. The rise of the Republican congressional mountain has in fact made it much more acute than ever.

The context for November involves a continuing, exceptional fluidity and high negative charge in electoral opinion and voting behavior. This has clearly not subsided since 1994. In early 1995, President Clinton was limited to insisting that he was still politically relevant. In early 1996, a steep decline in support for the Republican Congress and his apparent lead over Republican nominee-designate Robert Dole has permitted him to achieve some real ascendancy—so far—in the 1996 sweepstakes.

Evidence of this fluidity includes the eruption of Patrick Buchanan's economic-populist candidacy early in the season. In Illinois, the thoroughly party-endorsed Republican lieutenant governor lost the GOP Senate nomination to an obscure and far-right state legislator. The mainstream state leadership in Illinois has always tended toward a more moderate-centrist kind of major candidate than have many other such organizations, but this time to no avail. In Texas's 14th District, ex-Democrat Greg Laughlin was defeated for renomination by former representative and former Libertarian Party presidential candidate Ron Paul in a runoff, despite monolithic national and state GOP leadership support. On the Democratic side, in Texas, meanwhile, a completely unknown schoolteacher named Victor Morales defeated Representative John Bryant of Dallas, a solid liberal who also had unified party-leadership support behind him.

Surveys in mid-1996 imply that the more voters have learned about the details of the Republican program in Congress, the more support for the party and for Congress vis-à-vis the President has declined. Moreover, in 1994, 71.5 million Americans voted for members of the House of Representatives: The Republican revolution rests squarely upon the support of exactly one-fifth of the potential electorate. Turnout is always much higher in presidential years than in off years. This year we will inescapably have an extremely issue-polarized campaign, which we can expect to provide a special stimulus to turnout. Additionally, the 1993 Motor Voter Act, opposed to the bitter end

by the congressional GOP, will add more millions to the total. We could have a total turnout of 115-120 million in 1996, perhaps even more. Will this much-expanded 1996 electorate make a real difference to the outcome? It just might.

Viewed in institutional-control terms, and assuming that no third entrant wins the presidential election, the 1996 election consists of eight possibilities. Two of these involve unified partisan control of the presidency and Congress. The other six various outcomes are those in which one major-party presidential candidate wins while the opposition gains or keeps control of one or both houses of Congress. Three of these eight represent a cluster of most likely results, so far as one can determine: (1) Clinton wins while Republicans maintain control of both houses of Congress; (2) Clinton wins while Republicans hold on to the Senate but lose the House; (3) Dole wins while Republicans maintain control of both houses of Congress.

Either of the first two scenarios would clearly frustrate Ackerman's extended-deliberation condition as requisite for producing a "constitutional moment." One would thus have a failed moment to analyze and an aborted realignment to deal with. Needless to say, a Democratic capture of all three institutions (a less likely fourth scenario) would emphatically underscore such conclusions: Far from being a realignment signal, 1994 would appear comparable to a 1946, as 1996 would be comparable to a 1948. In that case, the Republican revolution would have been stopped dead in its tracks. But even barring that, and particularly under the second scenario (Democratic presidential and House victories), the net forward thrust of the Revolution would surely have been crippled.

This looks strikingly like the pre-1994 order, but with horse and rider having changed places. A great many Americans may well back a second term for President Clinton as a means of imposing a check on a Republican Congress, reinforcing the arguments of some scholars that divided government of yesteryear was in substantial part the deliberate choice of critical minorities of voters to block unified party control in Washington. But the character of divided government now, as we have seen in 1995-96, is basically different from what it was then. Particularly under the first scenario, but to some extent under the second scenario as well, the President, other politicians, and

the country would now be condemned to a particularly virulent politics of deadlock. Republican majorities could be rationally expected to hamstring both the President and bureaucracy to the utmost limits of human ingenuity. In short, if you liked 1995-96 as an exercise in government, you'll just love 1997-98.

The earlier order, as Professor Shafer observes, rested upon parties that were committed to the then-existing divided-government arrangements. In practice this meant that congressional Democrats and Presidents Reagan and Bush, despite their profound policy disagreements, operated under a certain normative constraint. At the end of the day the King's government had to be carried on. When this limit dissolves, as it did virtually the moment the 104th Congress assembled, our complex constitutional structure seizes up. There is little enough reason to suppose that a continuation of 1994's institutional outcome would make congressional Republicans much more accommodating in a 105th Congress they controlled. The implications for policy and public legitimacy alike are not cheery ones. They raise the most profound questions about whether the political crisis has reached the point where proliferation of ideologically polarized interests has made the country practically ungovernable.

About the third scenario—an across-the-board Republican victory—rather less needs to be said. In that event, a very strong presumptive case could be made for the fulfillment of Ackerman's extended-deliberation condition for producing a “constitutional moment,” especially considering that a much-enlarged electorate would have ratified the 1994 decision. A President Dole would presumably have two chief domestic functions: first, to make the appropriate conservative Supreme Court appointments, as he has already promised to do; and second, to sign whatever Congress sends up to him. Naturally, like all presidents, a President Dole would have a will and purposes of his own. But there is very little in his recent record that shows that this will or these purposes would pose major problems for the realization of most of the Republican agenda. In that case, we not only stand at the threshold of a quite new regime order but, what is more, a fourth American Republic largely based on liquidating the legacy of the third.

As they all know, liberals in 1996 fight on relatively unpromising terrain. Much of the institution-

al and policy landslide that has unfolded across the 1990s seems unlikely to be reversed in any near term. After all, we have it on President Clinton's own authority that “the age of big government is over.” There is an obvious worldwide trend toward the hegemony both of the ideology and the practice of the market in organizing human society and allocating resources within it. The Keynesian world of yesteryear is long past. There is no room for it, and thus declining room for state decisional autonomy or much of traditional democratic politics, in a global environment marked by increasing interpenetration of the “commanding heights” of capitalism. To be sure, the United States has been a leader in developments on this front, in large part because the country has never had an organized left in electoral politics, and because the organized trade-union movement is a husk of its former self. And here, to a degree not readily found elsewhere, the political right is united behind a vision of society defined in terms of households, markets, and, of course, churches. On the opposing side, a chief long-term mission must be to develop an analysis that finds a credible role both for the *res publica* and for democracy to perform, and this must involve some organized challenge to the hegemony of market theology.

But in the shorter term, there is no reason to draw the conclusion that the American people must settle for the truncation of the national government that the right has in view. It makes a world of practical difference which of our scenarios prevails. For the Democrats, reactivating the power of the public's operational-liberal preferences is a key to success; and—as the pollster Stanley Greenberg has pointed out at great length and with much documentation—this certainly involves placing a credible economic-issue story at the center of the campaign agenda. To judge from the apparent state of public opinion regarding candidates, parties, issues, and agendas in the spring of 1996, there seems quite a bit of material to work with in framing such an effort. Big as the problems of this extended political crisis are, this pivotal election is obviously winnable by either side. It will at the end probably hang on which of the two contenders' stories is believed by the median voter. Beyond that, one should follow Napoleon's advice: *On s'engage, et puis on voit*—first commit yourself and then see what happens.□

COMPUTING OUR WAY TO EDUCATIONAL REFORM

BY PAUL STARR

There is little talk in America these days of bold new public initiatives; public money is scarce, and faith in public remedy even scarcer. One notable exception is new technology and education. Bill Clinton's challenge to connect all of America's schools to digital networks by the end of the 1990s is the only initiative today that echoes, if only faintly, John F. Kennedy's call to put an American on the moon by the end of the 1960s. Like the moon shot, linking America's classrooms to computer networks appeals to a technological nationalism that seems beyond partisan politics: Everyone—almost everyone—likes the idea of putting the U.S. first in the race to the future. Thus in the same legislation widely heralded as deregulating telecommunications, the Republican Congress and President Clinton were able this year to agree on regulatory requirements for universal service that for the first time include affordable connections for schools.

Yet past efforts to improve education with better technology have generally not lived up to the promises made for them. In the eyes of skeptics, the current enthusiasm for computers is the triumph of hope over experience—or worse, it reflects a persistent infatuation with technological fixes for deeply rooted social problems. It would be a mistake, however, to dismiss the new initiatives on the basis of such a reading of the past. The new media are different from the earlier technologies, even from computers as they were introduced into education, and these differences improve the odds of substantial change. The computer revolution of earlier decades has now turned into a communications revolution and opened up important new possibilities for learning. The new media, moreover, are becoming essential to intellectual and artistic expression and scientific

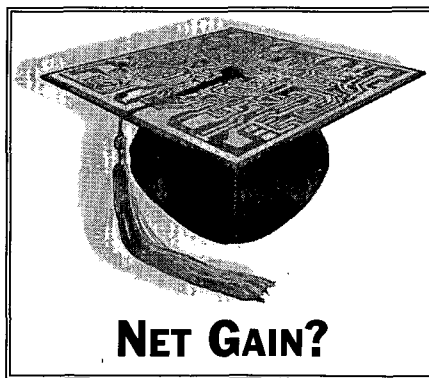
work. As the entire world of communication and knowledge is transformed, it becomes inconceivable to leave education out.

Of course, computers are now integral to work of all kinds, and public support for educational technology reflects an appreciation of that inescapable fact. Many parents want the schools to use comput-

ers for the same reason that often influences their purchases at home: They believe that computers will help prepare children for good jobs and careers. In fact, workers with computer skills do enjoy higher earnings. Instead of deploring the interest in computers—"I know a false god when I see one," the critic Neil Postman writes of computers in his recent book, *The End of Education*—reformers should regard the pop-

ular support for new technology as an opportunity for positive change.

The question is what form innovation may take. Some critics—such as Lewis J. Perelman, the author of *School's Out*, a 1992 book popular in



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Newt Gingrich's high-tech, free market circles—believe that the new technology demands the end of school as we know it. The new media and schooling are incompatible, they say, and schooling must go. This is a setup for failure; Americans are not ready to abandon the very idea of school, nor should they. But there are important changes in schools worth making, some of which have been on the agenda of reformers ever since progressive educators first proposed them early in the twentieth century. Ironically, the continued diffusion and evolution of the new technologies may finally help to bring those reforms about.

THE RIPENING OF TECHNOLOGY

Forecasts of technological change often fail, Anthony Oettinger observes, because an innovation is not yet “ripe.” Failed predictions may convince many people it will never work, but then it ripens—its costs fall, its limitations are overcome, it suddenly matches the demands of a market or the needs of an institution—and everything changes.

The history of education in the twentieth century is littered with mistaken forecasts of technological revolutions in education. In 1913, Thomas Edison predicted that books would “soon be obsolete in the schools” because of motion pictures. Similar predictions of epochal change in education accompanied the diffusion of radio in the 1920s and ‘30s and television in the 1950s. In *Teachers and Machines*, published in 1986, the educational historian Larry Cuban argues that these expectations were repeatedly disappointed, despite effort and investment, not for the reasons that advocates usually cited—poor implementation, insufficient money, resistance by teachers—but because of a more fundamental obstacle: the logic of the classroom.

Every day teachers confront enormous problems in accomplishing their objectives, including just managing their students. “The tools that teachers have added to their repertoire over time (e.g., chalkboard and textbooks) have been simple, durable, flexible, and responsive to teacher-defined problems in meeting the demands of daily instruction,” Cuban observes. In contrast, movies, radio, and television typically required a lot of setup work and advance scheduling and did not necessarily mesh with lesson plans. Administrators and reformers also initiated change from the top down without engaging teachers as active participants. As a result, except for a few enthusiasts, teachers have

tended to use movies and broadcast media only to supplement regular classes and break up routines of instruction.

Computers originally seemed destined to go through the same cycle of enthusiasm and disappointment, eventually to be relegated to the margins of education. Broadly speaking, educational computing has gone through three phases. In the first, from the mid-1950s to the early 1980s, the principal interests were the development of computer-assisted instruction (CAI) and the teaching of computer programming. Though often ridiculed as mere “electronic flashcards,” CAI had

a more sophisticated conception as an approach that could customize instruction according to individual needs and allow students to pace themselves. After stirring initial excitement, the approach drew increasing criticism in the 1960s and ‘70s and had relatively little impact on the educational mainstream. As of 1980, according to a review by the Educational Testing Service, most computer education in secondary schools “consisted primarily of teaching white middle-class males to write programs in the BASIC language.”

The impetus for CAI originated primarily outside of the schools. As was generally true of computers and computer science, the military was the chief sponsor of research, contributing three-fourths of all the research funds for educational technology up through the early 1980s. Perhaps the most highly publicized project that grew out of defense research was PLATO (“Programmed Logic for Automatic Teaching Operations”), based at the University of Illinois and owned by the Control Data Corporation, which hoped to build a business educating students all over the world from its central computers. By 1981, Control Data had 115 “learning centers” in the United States, making it the largest computer-based instructional system. Because of its cost, however, PLATO was rarely used by schools; the orientation was chiefly toward technical training. Control Data ultimately lost nearly a billion dollars on PLATO, a failure that became emblematic of dashed hopes in computer-

The new technologies may help realize ideas that progressive educators have long advocated.

THE NEW MEDIA AND LEARNING

With this issue we inaugurate a series of articles on the new media and learning, drawn from a conference sponsored by *The American Prospect* on June 4th at the MIT Media Laboratory.

The aim of the conference and the series is to explore whether the new technologies offer genuine promise for improvements in learning or are merely a diversion from the real problems of education, and to ask what approaches to policy and the new technologies hold the most promise. In addition to the authors of articles in this issue, the conference featured:

- Congressman Edward Markey of Massachusetts on why the Federal Communications Commission should adopt an "e-rate" under the Telecommunications Act of 1996 that would make a basic level of internet access free to schools;

- Mitchell Kapor, who served on the President's National Information Infrastructure Advisory Council before resigning in protest, on what went wrong with the NII initiative;

- Seymour Papert on the use of computers for fundamental change in education;

- Sherry Turkle on how learning about computers may affect our thinking about other things; and

- Howard Gardner and Shirley Veenema on multimedia and new ideas about cognition and learning.

Audiotapes of the conference are available by calling 1-800-872-0162.

Support for both the conference and publication of these articles comes from the Spencer Foundation of Chicago.

based education.

The second phase of development began roughly in the early 1980s with the spread of personal computers, graphical user interfaces, and general applications software. Between 1981 and 1991, the proportion of schools with computers rose from 18 percent to 98 percent, and the number of students per computer fell from 125 to 18. Instead of just offering specialized courses in programming, schools incorporated computing into many subjects and activities. Still, computers were typically located only in special laboratories (as most still are today), and student time on computers averaged only slightly more than an hour per week or about 4 percent of instructional time. At the secondary level, most such instruction took the form of courses in "computer literacy"; at the primary level, computers were typically used for "integrated learning systems" that provided drill-and-practice in basic skills. None of this much affected the core curriculum or general educational experience. In an article called "Computers Meet Classroom; Classroom Wins," Cuban could still argue in 1993 that computers were likely to continue to have limited impact and might be expected to become more significant only in primary schools because of their greater flexibility in classroom structure.

By this second phase, however, computers were already deviating significantly from the pattern followed by earlier technologies. Much of the interest in computers was coming bottom-up from teachers and students, not merely top-down from administrators. PCs and general applications software made computing more flexible and easily adapted to different subjects and styles of teaching. Unlike motion pictures, radio, and TV, computers were far more susceptible to both student-centered and teacher-defined activities. And as computers began to be used for communication and the development of new learning communities, they took on an entirely different character from the earlier technologies.

These possibilities are all being extended in a third phase of development that has begun in the 1990s with the advent of multimedia, the explosive growth of the Internet and the World Wide Web, and the transformation of computing from a segregated activity into a ubiquitous part of the everyday work, school, and home environment. If, as Cuban argues, teachers adopt tools that are "simple, durable, flexible, and responsive to teacher-defined

problems in meeting the demands of daily instruction," computers now increasingly meet those minimum requirements—but, obviously, they can also do much more.

THE COMMUNICATION REVOLUTION IN LEARNING

To some critics, the problem with computers has not been the obstacles to their adoption, but the effects on education if they are adopted. Computer-based education, critics have worried, would value "calculation" and "instrumental reason" over the emotional, aesthetic, and critical faculties. It would mechanize education, reduce its personal character, and lead students to become engrossed in relations with machines instead of developing relations with teachers and other students.

The first phase of educational computing with its emphasis on teaching machines gave some reason for this concern. But alongside the model of the computer as tutor there grew up another paradigm of educational computing that emphasized creative, student-centered learning. As the former reflected the didactic tradition of education, so the latter reflected the approach advocated by John Dewey and other exponents of progressive education, which views students as actively shaping their own understanding and teachers as facilitating that process. During the 1980s, this constructivist approach to computing, best exemplified in the work of Seymour Papert of MIT, became more prominent.

In addition, the culture that grew up around Apple's Macintosh computer offered humanist critics a more comfortable aesthetic that celebrated creativity, self-expression, and individuality—not calculation. The Mac's graphical user interface

reversed the whole premise of "computer literacy"; instead of making students sophisticated enough to use computers, it made computers simple enough for students to use. The predominance of Macs in schools may have resulted from Apple's corporate strategy, but it also fit with a preference for dealing with the computer, not as an analytical engine, but as a tool useful for a variety of tasks, projects, and activities. Feared originally as an educational straightjacket, the computer turned out in many of its uses to be a new medium of expression—like writing or painting.

Of course, one virtue of the computer is that it can become, as computing pioneer Alan Kay

writes, "any and all existing media, including books and musical instruments." And with the advent of multimedia, the computer has evolved into a distinctive medium that is uniquely capable of juxtaposing text, images, audio, and video. Multimedia permits an extraordinary flexibility in conveying concepts—through words, pictures, and sounds, as something that can be built or played as well as read or watched. The connections change old genres and make possible new ones. The traditional dictionary had a cumbersome and inadequate method to describe the pronunciation of words; the multi-

media dictionary pronounces them. New genres, such as simulation games, are emerging that challenge the user or player to build some complex creation—a city, species, business, or world—out of some given set of resources, or that put the student into a simulated environment or through a scenario to meet a challenge or learn a skill. The computer thereby turns the passive reader into a participant; it cues the student of a need to do something, but not necessarily what to do. With multimedia the



computer draws on more of the senses, and more dimensions of intelligence, enlarging the opportunity to learn for those who have been less able to learn from conventional teaching materials. And as the tools for creating multimedia become less expensive, students will make multimedia fully their own by creating work that exploits its new aesthetic and intellectual possibilities.

Multimedia has such stunning possibilities that it invites a fascination with technical virtuosity and surface effects that can become a distraction from learning. New software that combines learning and play has blurred the boundaries between them in a new hybrid variety, "edutainment." The very term expresses perfectly both the opportunity to turn education into play and the danger of learning being lost amid the games and the glitter. It is one thing to play at something; another to reflect upon it and acquire a discipline. Software that is good for play may not be good for learning in the full sense. Much educational software also just renders on a computer screen what is already available in books and merely adds gimmickry. But some uses of the new media are genuinely inspired, provocative, and engaging, and these examples suggest that that we have opened an important new chapter in the history of the imagination—and of education.

The transformation of computers into a medium of two-way communication also advances the creative and exploratory uses of the technology. Access to the Internet and the Web puts students in reach of resources and people that schools could never before provide. Even if the Internet consisted only of texts and images, it would be of immense value as it becomes the world's largest library. But it also increasingly provides access to audio and video archives, which conventional libraries generally do not offer. Hypertext links offer pathways that allow the novice to find connections among different sources, and the growing search capacities on the Web make it an increasingly powerful instrument of research.

And, of course, the Internet provides not simply published resources, but also cyberspaces—news groups and other forums for discussion;

MUDs for role playing and simulation; and new learning networks that help connect students, teachers, and others for a widening variety of purposes. Electronic networks enable students and teachers to combine resources and communities and to work with one another in novel ways. Groups of students at different schools, even in

different countries, work together on collaborative projects, comparing the results of environment studies or cross-cultural surveys and thereby learning not only the subject at hand but also other skills in social relationships—just the kind of learning that the early critics of teaching machines were afraid computers would stifle.

Through distance learning, both students and teachers can take courses in special subjects not locally available. In a recent article in the

American Journal of Physics (December 1995), Edwin F. Taylor and Richard C. Smith—two physicists who since 1986 have been teaching online courses on relativity to a mix of students and teachers from high schools and colleges—report that they have equally good results teaching online as in person. Their first two conclusions contradict the usual expectations:

1. The computer conference setting can be personal, friendly and inclusive. The medium is largely race-neutral, location-neutral, status-neutral, age-neutral, income-neutral, disability-neutral, and would be gender-neutral except for the clue of first names. Student participation in the discussion (in part forced by our course format) is greater than in any of our face-to-face classes. Some kinds of personal warmth appear to be more freely exchanged in the absence of bodies.
2. Computer conference classes bring instruction to a range of students for whom enrollment in conventional courses is difficult or impossible. Participation can occur conveniently at any time in a busy daily schedule. Some students blossom when in front of a computer screen and accomplish tasks that they otherwise would avoid. . . .

Taylor and Smith also recognize some drawbacks in the online format—for example, students don't receive visual cues from teachers—and they

The term
"edutainment"
expresses both
the opportunity
and the danger.

are not suggesting that online instruction will replace ordinary teaching. Their online students are a special, self-selected group. But many students and teachers have special interests; schools traditionally have just had little way of meeting them.

Long before computers, progressive educators called for strengthening the contact between school and the society beyond. Computer communications make such contacts, at whatever physical distance, easier and less costly. For example, students now take electronic field trips to enter into discussions with people in specialized fields of work, to view exhibits, even to use the cameras and other physical instruments that are now being connected to the Web and that will increasingly enable students in real time to enter into events at a distance and to participate in scientific experiments.

The Web is beginning to transform the practice of scientific research as it becomes a system for publishing not only scientific literature, but also scientific data. Genetic, meteorological, geographic, and census data are readily available to be downloaded and analyzed. Some journals are linking articles, data, and bibliographies, enabling a reader to jump back from the text to the original data or sources on which they are based. With the benefit of “applets”—software programs available on the network usable for specific purposes—readers will increasingly be able to redo the analysis or to extend it. Thus, an article about supernovas can include a simulation of a supernova explosion, along with tools that allow the reader to see the simulation run under different assumptions. In short, the Web is emerging not simply as a digital library, but also as a digital laboratory—a genuinely revolutionary development in science.

In the light of these developments, the history of educational computing takes on a different significance. Evaluations of the “effects of computers,” whether in education or other areas, have had a short half-life because the very nature of computing has changed so fundamentally with the development of PCs, the introduction of graphical user interfaces, the advent of multimedia, and the explosion of computer communications. Cost-benefit analyses of educational computing compared to conventional teaching have been particularly prone to obsolescence because of the declining costs of computing, especially relative to teaching.

And the value of early efforts in educational computing was not measurable in the short run because the benefits did not only involve what students learned. They also involved what everyone else learned. The early efforts helped American software designers and developers as well as schools and teachers to begin climbing a learning curve far ahead of other societies. Today educational software is largely an American industry. The Internet and the Web, while global in scope, also reflect America’s distinctive edge.

Some evidence suggests that current technology already offers benefits in the narrow sense of measured student learning. The “Kickstart Initiative,” the final report by President Clinton’s Advisory Council on the National Information Infrastructure, cites studies showing that “technology supporting instruction [has] improved student outcomes in language arts, math, social studies and science”; that “multimedia instruction—compared to more conventional approaches—[has] produced time savings of 30 percent, improved achievement and cost savings of 30 to 40 percent” and demonstrated “a direct positive link between the amount of interactivity provided and instructional effectiveness”; and that “remedial and low-achieving students” have registered “gains of 80 percent for reading and 90 percent for math when computers were used to assist in the learning process.” I would not stake my life on these numbers. But even approximately equal results for computer-based education would amply justify further investment given the trajectory of costs, and in any event the more important uses of technology now extend and enliven education and discovery in ways that such studies do not capture.

The skeptics are surely right, however, that the “learning revolution,” as the magazines call it, still has not had any general influence on schools. The many high-end uses of the new technology, like online courses in relativity, are appropriate for advanced secondary and college work but do not address the general needs of primary and secondary education. The market for educational software is growing rapidly, but many students, especially from middle-class families, are more likely to use it at home than at school, while students from low-income families never use it at all. New educational sites on the Internet appear daily but don’t affect most classrooms. The challenge now is to go from scattered initiatives to more

comprehensive changes. And that is what many reformers are trying to do by combining new technology with an educational reform agenda—one that progressives of the 1920s would have no trouble recognizing.

PROGRESSIVE EDUCATION REBORN?

Reports and commentary on education now often argue that as our current system of schooling reflects the industrial age, so we need a new approach to learning in the information age. Thus a report published in 1995 by the National Academy of Sciences, *Reinventing Schools: The Technology Is Now!*, says postindustrial society “calls for a new, postindustrial form of education” — one that puts students in a more central, active role in their own learning, helps them learn “to ask many questions and to devise multiple approaches to a problem” instead of forcing them to come up “with one right answer,” and encourages “critical thinking, teamwork, compromise, and communication.” Similarly, the Clinton administration’s “Kickstart Initiative” foresees innovation that “brings the world to the classroom,” “enables students to learn by doing,” and “allows educators to become guides and coaches to students, rather than be ‘the sage on the stage.’” On the right, Lewis J. Perelman, the author of *School’s Out*, wants to empower students to seek out instruction individually in the electronic marketplace. While significantly different, all these proposals call for use of technology to advance student-centered, project-based approaches to learning.

To anyone familiar with the history of educational reform, such ideas will have a familiar air. For example, in the opening pages of *The Child-Centered School* (1928), one of the classics of progressive education, Harold Rugg and Ann Shumaker decry traditional schooling as a product of the industrial age and “mass mind.” They use two photographs in the book’s frontispiece to represent the contrast between “the new and the old in education.” One photo shows a class of students at their desks (“Eyes front! Arms folded! Sit still!”), which Rugg and Shumaker call the old “listening” regime. A second photo shows students in small groups busily working on different projects (“Freedom! Pupil initiative! Activity! A life of happy intimacy . . .”). This was the image of the future in the 1920s, and though the tools and ter-

minology have changed, it is still the image of the educational future that many reformers hold up today.

Perhaps the absence of acknowledgments by today’s reformers is understandable. For those who claim to be anticipating a new era, old antecedents are embarrassing. Moreover, what progressive education achieved in the first half of the twentieth century—the expansion of the curriculum, addition of extracurricular activities, greater flexibility and mobility in elementary school classrooms, improved teacher training, child study teams, changes in school architecture to provide for more varied activities, and much else—is now taken for granted, and the movement is better remembered for its failings. Progressive education collapsed during the 1950s because it had lost its way and then ran into a storm of distorted charges. Taken over by professionals, it became encrusted as an ideology of the teachers colleges. From one direction, conservatives accused progressivism of subversive tendencies on the basis of its old entanglements with the left; from another direction, liberal critics accused it of promoting conformity and anti-intellectualism. Perhaps progressive education had to die to be shorn of all the extraneous baggage it had accumulated.

In their concern for active, student-centered learning and communication with the wider world, today’s technological neoproggressives have revived an old and worthy tradition. And by connecting progressive ideas with computers, they may have finally found a way not only to present them in an appealing, updated form, but also to make them work. For the difficulty with the ideal of active, student-centered education was not simply the opposition it aroused, but the demands it imposed on teachers and schools. The new technology may help manage those demands.

A growing body of evidence suggests that the introduction of computers into classrooms promotes a greater emphasis on projects, with teachers acting as guides and students taking on a central role in their own learning. Alan Collins, head of educational technology at BBN Corporation, an internet services company for businesses, identifies eight major shifts that research suggests computers bring about in education—all of them moving in the direction of progressivism. Among these are a “shift from whole-class to small-group instruction” and “from lecture and recitation to coaching.”

When computers are introduced, Collins argues, teachers find it hard to keep students in "lockstep" and so adopt more "individualized" approaches. A study of the Apple Classrooms of Tomorrow found that teacher-led activities dropped from 70 percent in classes without computers to less than 10 percent in classes with computers, and that activities facilitated by teachers, rather than directed by them, increased from about 20 percent to 50 percent of class time. Other trends, according to Collins, include shifts "toward more engaged students," "from a competitive to a cooperative social structure," "from all students learning the same things to different students learning different things," and "from the primacy of verbal thinking to the integration of visual and verbal thinking."

The new technology alone does not determine these effects. Schools with different cultures and philosophies will make use of computers, like other tools, in different ways. A school wedded to the didactic approach can use integrated learning systems to reinforce conventional teaching methods. A constructivist approach isn't easy; it requires a great deal of institutional support. In a recent study of nine sites pursuing an educational reform agenda emphasizing "student-centered, curriculum-rich, technology-based projects," Barbara Means and her colleagues at SRI, a California research organization, found that the key factor in determining success was a coherent, schoolwide instructional vision.

One factor that in the long run may help advance this approach is cost. For the immediate future, the cost of technology is an obstacle to large-scale plans for change. The National Academy report says the technology is "now"—but; alas, the money is not. The fundamental trends, however, are implacable. The cost of labor only goes up, while the costs of computer power and telecommunications go down—steadily and sharply. Computers will become extremely cheap in the next century, and thus student-centered projects based on computers will be far less expensive than today. The obstacle to more individualized instruction and smaller classes has always been the cost of employing additional teachers. But if additional teaching comes inexpensively from comput-

ers, individualized education is more feasible. By occupying some of the students, computers can reduce the number of students teachers need to supervise at any given moment. This amounts to a reduction in *effective* class size. Moreover, according to Collins, unlike teachers in conventional classes, who tend to call on stronger students, teachers in classes with computers spend relatively more of their time with weaker students.

The use of computers can also help address another obstacle to change—standardized achievement tests. The new technology may encourage some change in assessment methods, but the present system will likely remain for such critical purposes as college admissions. To prepare students for those tests, schools can make use of the more didactic forms of computer-based education without organizing their whole program on that basis.

As technology may help create effectively smaller classes, so it may also strengthen the case for *smaller schools*. Empirical studies indicate that students in large schools take part in fewer school activities, identify less with the school, and

have lower scores on achievement tests than do students in modest-sized schools. Deborah Meier, a principal in East Harlem and an advocate of smaller schools, argues that small size permits closer relations among administrators, teachers, and students and thereby fosters the kind of unified educational vision that researchers have repeatedly identified as a key to successful schools. In a small school, students are less likely to be lost amid the throng. The creation of little schools within the framework of public education makes diversity and school choice accessible on an equal and local basis.

Of course, modest-sized schools can be created from big ones without any help from technology. But the new media may help mitigate some of their shortcomings and improve the trade-offs. Many parents are concerned that smaller schools may not be able to offer as great a diversity of courses. Computer learning networks can provide them. As a small school can create a strong local learning community, so online communities can help students widen their contacts and affiliations—offering the best of both worlds. And just as computers

The challenge now is to go from scattered initiatives to comprehensive changes.

help small businesses by enabling them to perform complex services that used to require large bureaucracies, so the new technology can help small schools manage their affairs.

Computers and computer communications may also have particular value for alleviating some sources of inequality. Computer communications enable people with disabilities to gain access to resources otherwise unavailable and to take part in groups without hindrance or stigma. Similarly, computer networks improve access to educational resources for those in small communities and rural areas. For the same reason, they may be especially valuable for those who seek to continue their education while working at a job. Members of racial and ethnic minorities may learn more through interactive software or online services because they sense no stigma or disapproval. Social psychologists Lee Sproull and Sara Kiesler have found in experimental research that lower-status participants in electronic discussions are less inhibited and more likely to speak up than when communicating face-to-face. Thus, the very groups that now lag in the use of computers and computer communications may especially benefit from access to them.

Of course, nothing guarantees that computers will be used for progressive purposes. Conservatives would like nothing better than to use the technological limitations of schools as a rationale for privatizing the schools or substituting a kind of high-tech home schooling. Inevitably, choices about technology become entangled in larger choices about politics.

THE POLITICS OF THE COMPUTER TRANSITION

The use of computers and the Internet is now expanding rapidly, but with marked disparities between rich and poor school districts. In 1995, according to a U.S. Department of Education survey, half of public schools had at least some internet access, up from 35 percent in 1994; and while only 9 percent of classrooms were connected, that was up from 3 percent a year earlier. A student in an affluent community is roughly twice as likely as one in a poor community to attend a school with internet access.

Students are now using computers differently from in the past. The computer laboratory, typically set up for computer literacy and programming

courses, is evolving into general-purpose computer work area where students can do projects of all kinds, including internet work. For most schools, according to the SRI study, concentrating computers in a laboratory is still the most efficient way to provide maximum access to a limited number of machines; distributing computers through classrooms optimally requires at least 6 to 8 computers for a class of 25 to 35 students. At present rates of growth, the average school in the United States should approach that roughly one-to-four ratio around the turn of the century.

The 1996 Telecommunications Act made it a matter of national policy that schools receive "affordable" access to telecommunications. The legislation sets a new precedent by linking communications policy and education; the Federal Communications Commission (FCC) will now determine the exact obligations of the telecommunications industry in the subsidy of school connections. Cost estimates vary, depending on the assumed level of access and whether the estimates include the cost of the computers themselves. There is a wide range of possibilities between providing a school with a dial-up account for one computer and creating a high-bandwidth network linking computers on every student's and teacher's desktop. As platforms change, the standard for universal school service is likely to evolve. In the near term, if every school were to have a local area network, 60 new computers, a router, and a local server—with every district, or 4 to 6 schools, having a high-bandwidth (T-1) connection to the Internet—such a system, according to a 1994 Department of Education study, would run between \$9 billion and \$22 billion in onetime costs (about half of which would pay for the initial purchase of computers) and \$1.75 billion to \$4.61 billion annually. Of the annual costs, roughly a quarter would go for the telecommunications lines and internet service; so if only those are cross-subsidized, the schools would still be left with very large costs indeed. The FCC is exploring whether to set aside spectrum to provide schools wireless connections, which could particularly help to minimize indirect costs, such as asbestos removal, from retrofitting school buildings.

Schools in affluent districts may be able to raise these costs in local taxes. Some districts (such as my own in Princeton) have already benefited from

partnerships with universities and businesses in making the transition to networked schools. But even with the most supportive telecommunications policies and voluntary support, schools in low-income communities will almost certainly need additional financing from the states or federal government to shoulder the required investments. Otherwise there seems little prospect that inequalities among schools or communities will soon diminish.

In principle, the falling cost of computers and bandwidth should increase opportunities for lower-income groups and communities. So far, however, possession of computers (and of network connections) has continued to grow more rapidly among high-income than among low-income households, thus widening the disparities, according to a recent RAND analysis of changes in computer ownership from 1989 to 1993. Eventually, if histories of the telephone, radio, and television are accurate precedents for the computer, the diffusion of computer communications will tend toward universality. But the transition could take a long time—decades. In the meantime, many groups will be disconnected from a communication network of growing value, and we will all lose the benefit of “network externalities”—the increased value of a network to each user as others are connected. For example, the value of computer communications to schools increases as teachers are able to reach more of the parents of their students and as more students can use the systems from home. Hence the rationale for using public policy to accelerate the transition to universal electronic communication for both community institutions and households in low-income areas. Schools and libraries seem to be the only institutions for which such support is now politically obtainable; they may take on larger significance by opening up access for families as well as the children themselves.

The schools need not only cheap connectivity, but also low-cost access to content. Currently, the Web provides free access to enormous amounts of information, but many sources are likely to be available only on a fee basis as commercial transactions become customary. To be sure, governmental sources, many nonprofit organizations, and schools themselves will continue to offer publications and other resources for free. So will companies interested in fostering long-term business. But

many journals and other sources will be available only at a price, and students will lose access to such sources unless there are affordable site licenses and other arrangements for schools. The development of online libraries providing free access to work in the public domain and low-cost access to copyrighted material of educational value should be a priority for both public and philanthropic support. What Carnegie did a hundred years ago can now be accomplished more efficiently, for the entire world.

As the cost of computers declines, schools will likely move from computer laboratories to desktop computers distributed through classrooms and then, in a further stage, toward more mobile forms of computing. Voice activation will often obviate the need to sit down at a keyboard; wireless will liberate the networked computer from its place on the desktop. Increasingly, students and teachers may scarcely even think of computing as a distinctive activity. Drawing an analogy with electricity, Marc Weiser of Xerox PARC (Palo Alto Research Center) suggests that a truly powerful technology “disappears” from awareness and that the computer of the future will assume diverse forms (tablets, pads, badges, whiteboards) and be a ubiquitous but taken-for-granted part of the built environment. Weiser envisions computers becoming so cheap that some would be left around like scratch pads, the very opposite of the “personal” computer. Thus, a computerized classroom in the future might not have students sitting at keyboards and monitors; it could be a classroom where computing was both ubiquitous and incidental, allowing students freedom to play and work with one another while using the technology’s extraordinary capacities.

But, of course, none of this will answer the truly important questions about learning. Here Postman and the other skeptics are right. Ultimately, the qualities of education that we care most about are not technological; they are matters of educational philosophy and practice and in turn depend on broader moral and political judgments. In thinking about education, we ought not to be preoccupied with computers at all, and if the technological transition is successful, we will not be. Because of all they make possible, we must make computers part of education. Then they should “disappear.” □

ACCESS IS NOT ENOUGH

COMPUTER CLUBHOUSES IN THE INNER CITY

BY MITCHEL RESNICK AND NATALIE RUSK

At the clubhouse, I work with Lakesha. She is a mentor which means she knows a lot about computers. When she is not at the clubhouse, she is an engineer. She shows me how to do lots of fun things with computers like controlling LEGO robots. I want to learn about engineering in college.

— Latoya Perry, age 13

Ever since the development of personal computers in the late 1970s, there have been growing concerns about inequities in access between technological haves and have-nots. Some groups have worked to close the gap by acquiring computers for inner-city schools. Others have opened community-access centers, where youth and adults alike from inner-city communities can use computers at little or no charge.

The Computer Clubhouse of Boston, organized by the Computer Museum in collaboration with the MIT Media Laboratory, grows out of this tradition—but with important differences. At many other centers, the main goal is to teach young people basic computer techniques (such as keyboard and mouse skills) and basic computer applications (such as word processing). At the clubhouse, in contrast, the goal is for participants to learn to express themselves fluently with new technology.

Fluency in a language involves not only a knowledge of basic vocabulary and grammar, but also the ability to articulate a complex idea or tell an engaging story. To be fluent, you must be able to “make things” with language. Analogously, technological fluency involves knowing not only basic techniques, but also how to make things of significance with them. A technologically fluent person should be able to go from the germ of an intuitive idea to the realization of a technological project. Increasingly, technological fluency is a prerequisite for jobs and full participation in our society.

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The Computer Clubhouse aims to help inner-city youth gain that type of technological fluency. The clubhouse is based not just on new technology, but on new ideas about learning and community. It represents a new kind of learning community where young people and adult mentors work together on projects, using technology to explore and experiment in new ways.

IMAGES OF A CLUBHOUSE

As co-founders of the Computer Clubhouse, we were involved from the very beginning. The first clubhouse was opened in 1993 in a 1,000-square-foot space on the ground floor of the Computer Museum in downtown Boston. During its first two years of operation, it attracted more than 1,000 young people ages 10 to 16, with 98 percent coming from underserved communities. Participants were from diverse cultural backgrounds, including African-American (61 percent), Asian (13 percent), and Latino (11 percent). To attract participants, the clubhouse initially established connections with community centers and housing projects in target communities; since then, it has relied primarily on word of mouth. Youth do not have to sign up for time at the clubhouse; they can drop in whenever it is open.

At the clubhouse, young people become designers and creators—not just consumers—of computer-based products. Participants use leading-edge software to create their own artwork, animations, simulations, multimedia presentations, virtual worlds, musical creations, Web sites, and robotic constructions.

What does the clubhouse learning community look like? Here are some quick “snapshots.”

■ Binh moved to the United States from Vietnam three years ago. He and his friend Liem learned from clubhouse staff how to build a computer interface to control motors. Binh and Liem are now showing other clubhouse members how to build interfaces to control such motorized devices as robot arms and toy dune buggies.

■ Essam, a ninth grader from Roxbury, designs and programs his own computer games at the club-

house. He usually uses the Logo programming language, but Michael, a student from Wentworth Institute, is mentoring him to program in C, a professional programming language that Essam wanted to learn. Essam's work has attracted the interest of other clubhouse participants, and he is in turn helping other youth learn to design and program their own games. Michael is also gaining confidence and learning from his experience as a mentor.

■ Sandi is developing an interactive multimedia project for an independent study course at her school. She chose to research the history of Native Americans to learn more about her heritage. Her

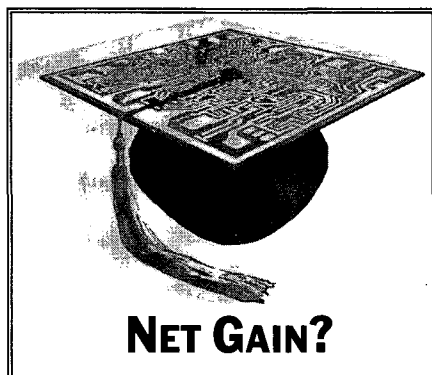
project combines text, graphics, photographs, and sound. Sandi's teachers are impressed by what she has produced, and they hope that more of their students will start producing multimedia reports.

■ Emilio saw a laser-light show at another museum and wants to create something similar at the clubhouse. He glues small mirrors onto a few LEGO motors, writes a short computer

program to control the motion of the motors, and bounces a laser light off of the mirrors to create wonderful Lissajous-like patterns. Throughout the project, Emilio is involved in mathematical thinking, modifying angles and speeds to create new laser patterns.

■ Several clubhouse members are creating the Online Art Gallery on the World Wide Web. Once a week, they meet with a local artist who has agreed to be a mentor for the project. After a year, their online art show was accepted as an exhibition at SIGGRAPH, the premiere computer-graphics conference.

■ Paul's art teacher recommended he visit the clubhouse, just two weeks after Paul moved to Boston from Trinidad. Paul had always enjoyed drawing but had never used a computer before coming to the clubhouse. He now comes to the clubhouse three or four days a week. Last summer, based on his clubhouse experiences, Paul got a job designing Web pages for a local company. He designed a series of original character drawings, and he reliably met demanding deadlines. Now Paul is interested in pursuing a college program in computer animation and graphic design.



CLUBHOUSE PRINCIPLES

The development of the clubhouse learning environment has been guided by four core principles:

Principle 1: Support learning through design experiences. Activities at the clubhouse vary widely, from constructing and controlling LEGO robots to orchestrating virtual dancers. But these varied activities are based on a common framework: engaging youth in learning through design.

In recent years, a growing number of researchers and educators have argued that design projects provide rich opportunities for learning. Design activities engage youth as active participants, giving them a greater sense of control over and responsibility for the learning process, in contrast to traditional school activities in which teachers aim to “transmit” new information to the stu-

develop a special sense of ownership (and caring) for the products and ideas that they design. Yet design also promotes a sense of audience, encouraging youth to consider how other people will use and react to the products they create. And design projects provide a context for reflection and discussion, enabling youth to gain a deeper understanding of the ideas underlying hands-on activities.

This emphasis on design activities is part of a broader educational philosophy that MIT professor Seymour Papert has termed “constructionism.” Constructionism is based on two types of “construction.” First, it asserts that learning is an active process, in which people actively construct knowledge from their experiences in the world. People don’t get ideas; they make them. (This idea is based on the “constructivist” theories of Jean Piaget.) And, second, people construct new knowledge with particular effectiveness when what they make is personally meaningful.

At the clubhouse, construction takes many forms. Rather than playing computer games, clubhouse participants create their own computer games. And rather than just “surfing” on the Internet’s World Wide Web, participants make waves: They create their own multimedia Web pages, such as the clubhouse’s Online Art Gallery.

To support these activities, the clubhouse provides a variety of design tools, from introductory paint programs (such as KidPix) to high-end animation tools (such as Director). Other software tools include digital music recording, editing, and mixing tools; desktop publishing tools; programming tools (such as Microworlds Logo); virtual-reality design tools for developing three-dimensional models on the computer screen; and construction kits for creating and controlling robotic machines (such as LEGO Control Lab). The clubhouse also serves as a testbed for new technologies under development at research universities and companies. For example, the clubhouse was the initial test site for the Programmable Brick, a portable tiny computer built into a LEGO brick, developed at the MIT Media Lab.

At the clubhouse, youth learn how to use these tools. But even more, they learn how to express themselves through these tools. They learn not only the technical details, but the heuristics of being a good designer: how to conceptualize a project, how to make use of the materials available, how to persist and find alternatives when things go wrong,



Artist: Deborah

dents. Design also encourages creative problem solving and fosters a search for multiple strategies and solutions, instead of the focus on getting one right answer that prevails in most school math and science activities. Design projects are often interdisciplinary, bringing together concepts from the arts as well as math and sciences.

Design activities, moreover, can create personal connections to knowledge, since designers often

and how to view a project through the eyes of others. In short, they learn how to manage a complex project from start to finish.

The design tools at the clubhouse were chosen, in part, because they connect with children's imaginations and interests. But at the same time, these tools connect with important mathematical and scientific concepts. The tools don't directly teach mathematical and scientific ideas; rather, youth use (and learn) these ideas as an integral part of their design projects. For example, as clubhouse youth work on robotics projects with LEGO/Logo (a computer-controlled construction kit) and the Programmable Brick, they naturally engage in thinking about such scientific concepts as mechanical advantage and feedback. And as students work on computer art projects, they need to develop a working understanding of scaling, perspective, and symmetry.

Principle 2: Help youth build on their own interests. In schools of education, the focus is usually on methods of teaching, not motivations for learning. Many courses emphasize how and what teachers should teach, but seldom examine why their students might want to learn. When the issue of motivation is addressed, the emphasis is often on extrinsic motivators and incentives, such as grades and prizes based on performance.

Yet if you look outside of school, you can find many examples of people learning—and learning well—without explicit rewards. Youth who seem to have short attention spans in school often display great concentration on projects that truly interest them. They may spend hours learning to play the guitar or play basketball. Their interests are a great untapped resource—untapped, that is, in school. As Roger Schank, a professor at Northwestern University, has written, “An interest is a terrible thing to waste.”

When youth care about what they are working on, the dynamic of teaching changes. Rather than being “pushed” to learn, youth work on their own and seek out ideas and advice. Youth are not only more motivated but also develop deeper understandings. Pursuing any topic in depth can lead to connections to other subjects and disciplines. The educational challenge is to find ways to help youth

make those connections and develop them more fully. For example, an interest in riding a bicycle can lead to investigations of gearing, the physics of balancing, the historical evolution of vehicles, or the environmental effects of different forms of transportation.

The clubhouse is designed to support youth in developing their interests. While youth from middle-class households generally have many opportunities to build on their interests (music lessons, specialty camps, and so on), most clubhouse participants have no other constructive after-school options. And many do not even

have a clear sense of their interests, let alone how to build on them.

Clubhouse participants are encouraged to make their own choices. All of the youth at the clubhouse have chosen to be there, and they can come and go as they please. At the clubhouse, participants continually confront choices about what to do, how to do it, and whom to work with. The clubhouse helps these youth gain experience with self-directed learning, helping them recognize, trust, develop, and deepen their own interests and talents.

Helping youth develop their interests is not just a matter of letting them do what they want. Young people must be given the freedom to follow their fantasies but also the support to make those fantasies come to life. On the walls, shelves, and hard drives of the clubhouse, there is a large collection of sample projects, designed to provide participants with a sense of the possible and with multiple entry points for getting started. In one corner of the clubhouse is a library of books, magazines, and manuals filled with more project ideas (and a sofa to make reading more comfortable). Many youth begin by mimicking a sample project, then work on variations on the theme, and soon develop their own path.

This approach works only if the environment supports a great diversity of possible projects and directions. The computer plays a key role here. The computer is a “universal machine” that supports design projects in many different domains: music, art, science, math. At any time, two participants might be using a computer to create a graphic animation, while at the next computer another youth

The clubhouse
has the feel of an
invention
workshop.

might be using a similar computer to control a robotic construction.

Of course, the technology alone does not ensure diversity. In schools, more teachers are beginning to include design experiences in their classroom activities. But in many cases, these design activities are very restrictive. Students do little more than follow someone else's recipe. In classes working with LEGO/Logo, students are often told precisely how and what to build. For example, a teacher might instruct every student to build the exact same LEGO car, using the same bricks, gears, and wheels and the same computer program to control it. The clubhouse, in contrast, has the feel of an invention workshop. Working with LEGO/Logo, clubhouse youth have built, programmed, and experimented with a wide assortment of projects, from an automated hair curler to a computer-controlled LEGO city. The LEGO materials and computer technology allow this diversity—even more important, the clubhouse community supports and encourages it.

Principle 3: Cultivate “emergent community.”

How do people learn to speak a language? Many American students take several years of French in high school but still can't communicate fluently. The language is learned best by actually living in France and participating in the culture—by going to the store to buy a baguette, joking with the vendor who sells *Le Monde*, overhearing conversations in the café. To become technologically fluent, young people need a similar type of immersion. They need to live in a “digital community,” interacting not only with technology, but with people who know how to explore, experiment, and express themselves with the technology.

To foster this type of community, the Computer Clubhouse includes a culturally diverse team of adult mentors—professionals and college students in art, music, science, and technology. Mentors act as coaches, catalysts, and consultants, bringing new project ideas to the clubhouse. Most mentors volunteer their time. On a typical day, there are two or three mentors at the clubhouse. For example, clubhouse participants might be working with engi-

neers on robotics projects, artists on graphics and animation projects, programmers on interactive games. For youth who have never talked to an adult in academic or professional careers, this opportunity may be a pivotal experience.

In this way, the clubhouse deals with the “access issue” at a deeper level. Inner-city youth need access not only to machines, but to people using technology in interesting ways. This type of access

is not possible in a classroom with 30 children and a single teacher. The clubhouse takes advantage of an untapped local resource, providing a new way for people in the community to share their skills with local youth.

By involving mentors, the clubhouse provides inner-city youth with a rare opportunity to see adults working on projects. Mentors do not

simply provide “support” or “help”; many work on their own projects and encourage clubhouse youth to join in. John Holt, the author of several influential books about education, argues that children learn best from adults who are working on things that they themselves care about. Holt writes, “I’m not going to take up painting in the hope that, seeing me, children will get interested in painting. Let people who already like to paint, paint where children can see them.”

To become good learners, young people should observe adults learning. But that is rarely the case in schools. Teachers often avoid situations where students will see them learning: They don't want students to see their lack of knowledge. At the clubhouse, however, youth catch adults in the act of learning and, for some clubhouse participants, it is quite a shock. Several clubhouse participants were startled one day when a clubhouse staff member, after debugging a tricky programming problem, exclaimed: “I just learned something!”

Projects at the clubhouse grow and evolve. A mentor might start with one idea, a few youth will join for a while, then a few others will start working on a related project. For example, two graduate students from Boston University decided to start a new robotics project at the clubhouse. For several days, they worked on their own; none of the youth seemed particularly interested. But as the project

By involving mentors, the clubhouse provides inner-city youth with a rare opportunity to see adults working on projects.

BOWLING ALONE?

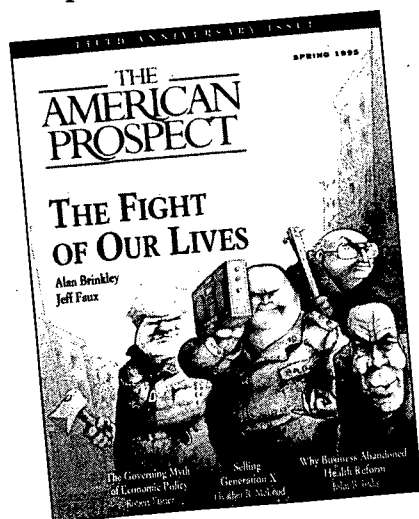


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began to take shape, a few youth took notice. One decided to build a new structure to fit on top of the robot, another saw the project as an opportunity to learn about programming. After a month, a small team was working on several robots. Some youth were integrally involved, working on the project every day. Others chipped in from time to time, moving in and out of the project. The process allowed different participants to contribute to different degrees—a process that some researchers call “legitimate peripheral participation.”

This approach to collaboration is strikingly different from what occurs in most classrooms. In recent years, there has been a surge of interest among educators in “collaborative learning” and “communities of learners.” In many schools, students work in teams to solve problems. Often, each student is assigned a distinct role in the collaborative effort. At the clubhouse, collaboration has a different flavor. No one is assigned to work on any particular team. Rather, communities “emerge” over time. Design teams form informally, coalescing around common interests. Communities are dynamic and flexible, evolving to meet the needs of the project and the interests of the participants. A large green table in the middle of the clubhouse acts as a type of village common, where people come together to share ideas, visions, and information (not to mention food).

As youth become more fluent with the technologies at the clubhouse, they too start to act as mentors. During the first year of the clubhouse, a group of six youth emerged as regulars, coming to the clubhouse nearly every day (even on days when it was officially closed). Over time, these participants began to take on more mentoring roles, helping introduce newcomers to the equipment, projects, and ideas of the clubhouse.

Mike Lee, one of the earliest clubhouse participants, quickly emerged as a mentor to other youth. Mike had enjoyed drawing comic-book characters ever since he was a young child, but he had no

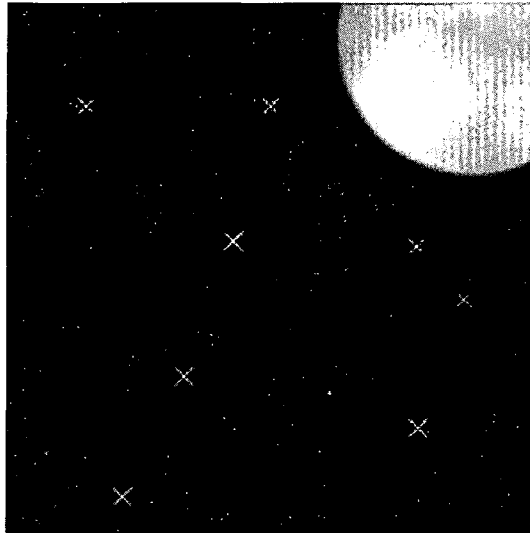
experience with computer graphics until he came to the clubhouse. To get started, he scanned in some of his black-and-white sketches, then used the computer to color them in. Everyone in the clubhouse was impressed with Mike’s artwork, and

other youth began to come to him for advice, and started mimicking his approach. Before long, a collection of “Mike Lee style” artwork filled the bulletin boards of the clubhouse. Mike recognized his role as a mentor to younger clubhouse participants, and took the responsibility seriously. For example, he decided to stop using guns in his artwork, feeling that it was a bad influence on the younger clubhouse members.

While serving as a mentor, Mike also learned from others. At first, he worked only on comic-book characters. Over time, he began to experiment with artistic ideas that he saw in other clubhouse art. He began to add more computer effects, while maintaining his distinctive style. Eventually, he expanded beyond static images, creating his own computer animations. After a year, Mike used his clubhouse experience to get a job designing online graphics for a local consulting company—a job he wouldn’t have dreamed of getting a year earlier.

Principle 4: Create an environment of respect and trust. When visitors walk into the clubhouse, they are often amazed at the artistic creations and the technical abilities of clubhouse participants. But just as often, they are struck by how clubhouse youth interact with one another. The clubhouse approach puts a high priority on developing a culture of respect and trust. These values not only make the clubhouse an inviting place to spend time but are also essential for enabling clubhouse youth to try out new ideas, take risks, follow their interests, and develop fluency with new technologies.

There are many dimensions to “respect” at the clubhouse: respect for people, respect for ideas,



Artist: Kevin

respect for the tools and equipment. Mentors and staff set the tone by treating clubhouse youth with respect. Right from the start, participants are given access to expensive equipment and encouraged to develop their own ideas. "You mean I can use this?" is a common question for youth to ask when they first visit the clubhouse.

Even with all these options, youth won't take advantage of the opportunities unless they feel "safe" to try out new ideas. In many settings, they are reluctant to do so, for fear of being judged or even ridiculed. At the clubhouse, no one gets criticized for mistakes or "silly" ideas; it is understood that ideas (and people) need time to develop. One new clubhouse participant spent weeks manipulating a few images, over and over. But then, like a toddler who is late learning to talk but then starts speaking in full sentences, he suddenly started using these images to create spectacular graphic animations.

Clubhouse youth are given lots of choice, but with this freedom come high standards and high expectations. Clubhouse staff and mentors do not simply dole out praise to improve the self-esteem of the youth. They treat youth more like colleagues, giving them genuine feedback and pushing them to consider new possibilities. They are always asking: What could you do next? What other ideas do you have? Many clubhouse youth thus learn not only new computer skills, but also new styles of interaction. Treated with respect and trust, they are expected to treat others the same way.

THE INTERNET AS RORSCHACH

As new technologies arise, these clubhouse principles can serve as important guideposts. Today, public discussion about the role of technology in education focuses on the Internet. As the Internet plays an ever-growing role in commerce and social life, there are concerns that people without access will be left behind. California's highly publicized NetDay in February 1996 (when thousands of volunteers helped set up network connections at elementary and secondary schools) was one effort to broaden access to the Internet. Many other states are now following suit with NetDays of their own.

But access to the Internet, like access to computers, is not in itself enough to create substantial change in the lives and learning of children. The Internet can be used in a wide variety of ways—and with radically different results. A decade ago, Sherry Turkle argued that computers serve as a Rorschach test: How people view computers reveals much about their views on other things. Today, the Internet serves as a type of Rorschach test of educational philosophy.

Some people see the Internet as a new way to deliver information. They explain how lectures by expert scientists could be beamed down to thousands of schools. They imagine the day when personal work stations will give problems to students, monitor student progress on the problems, and automatically download video segments from network servers at appropriate times during the instruction.

When other people look at the Net, they see a huge database for students to explore. They dismiss the idea of delivering information to students across the network. They want to turn the tables, putting students in control of the information. They talk

about new tools that allow students to search through thousands of servers on the Net, locating information that they are interested in.

The clubhouse philosophy suggests a third, very different, vision of the Internet. We see the Internet as a new medium for collaborative construction—a new opportunity for students to discuss, share, and collaborate on constructions. We would like to see youth use the Internet to create and share new types of simulations and animated stories. For example, youth could use the Net to collaboratively create an ocean ecosystem, with each person programming the behavior of an "artificial fish"—then discussing with one another the systems-level phenomena that arise from the interactions. Through these activities, students could develop an understanding of certain scientific phenomena (such as feedback and self-organization) that are usually studied only at the university level, using advanced mathematical techniques.

Each of these visions of the Net reflects a different educational philosophy. The first vision sees education as instruction: If we could just

The clubhouse model suggests a vision of the Internet as a medium for collaborative design.

"deliver" better instruction, we would have better education. The second and third visions are more "learner centered," based on the belief that people actively construct knowledge from their experiences and explorations. In the second view, if we can provide better environments for explorations, people can learn more. The third vision (the clubhouse vision) puts a special emphasis on design and construction activities, based on the belief that people construct knowledge with particular effectiveness when they are actively engaged in constructing meaningful artifacts. In this vision, the Internet brings together ideas of community and construction, enabling people to engage in a new range of collaborative design activities.

BEYOND RODIN

When people think about thinking, they often imagine Rodin's famous sculpture *The Thinker*. Rodin's *Thinker* is a solitary individual, sitting by himself, with his head resting on his hand. This image seems to say: If you just sit by yourself quietly and concentrate hard, you will do your best thinking.

But that image provides a restricted view with dwindling relevance to today's digital world. In recent years, there has been a growing recognition that thinking usually happens through interactions with other people, often aided by media and technology. New media and technologies support new representations of knowledge, which in turn open up new ways of thinking about problems.

The clubhouse helps young people become fluent with these new "tools for thought." Two product managers from Adobe, a leading software company, spent several days at the clubhouse, hoping to gain insights on how they might change and improve their products. Afterward one of them wrote:

We were amazed at the incredible rate the kids learned complex products such as Photoshop and Director and how they used the software almost as an extension of themselves. The kids seem to have a lot more enthusiasm and creativity in the work since they choose their own projects and determine for themselves what they want to do. I liked how the more experienced members trained the new members how to do things and how they took responsibility for the computers and their setups.

Clearly the Clubhouse is their clubhouse, not someone else's place.

These comments capture some of the core ideas underlying the clubhouse approach: young people working on design projects, following their own interests, developing fluency with new technologies, sharing knowledge as members of a community, and becoming self-confident as learners.

Of course, creating this type of learning environment isn't easy. At times, the clubhouse might seem chaotic. It takes trust and patience to allow youth to follow their own interests. But the clubhouse should not be seen as unstructured: Although youth have great freedom in choosing their projects, there is structure embedded in the design of the materials, space, and community. Through its choice of mentors, sample projects, and software tools, the clubhouse provides a framework in which rewarding learning experiences are likely to develop.

The clubhouse's long-term goal is to make these types of experiences available to youth in many more low-income neighborhoods. We are currently establishing a nationwide network of Computer Clubhouses. As part of this effort, we are developing workshops and materials to help other sites start their own clubhouses. In addition, we are creating the infrastructure for network-based interaction among the sites, so that youth at different clubhouses can collaborate on joint design projects, and mentors and staff can share ideas with one another. Ideally, these new clubhouses will serve as models for a new approach to technology, learning, and community—while giving youth who most need it the opportunity to build futures of their own.□

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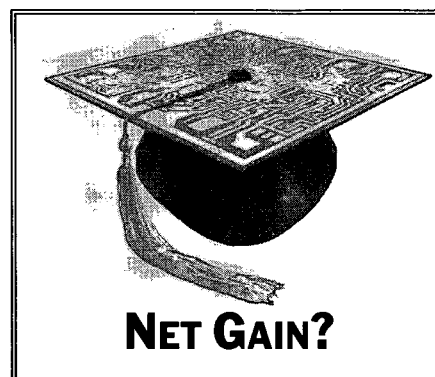
CHILDREN IN THE DIGITAL AGE

BY KATHRYN C. MONTGOMERY

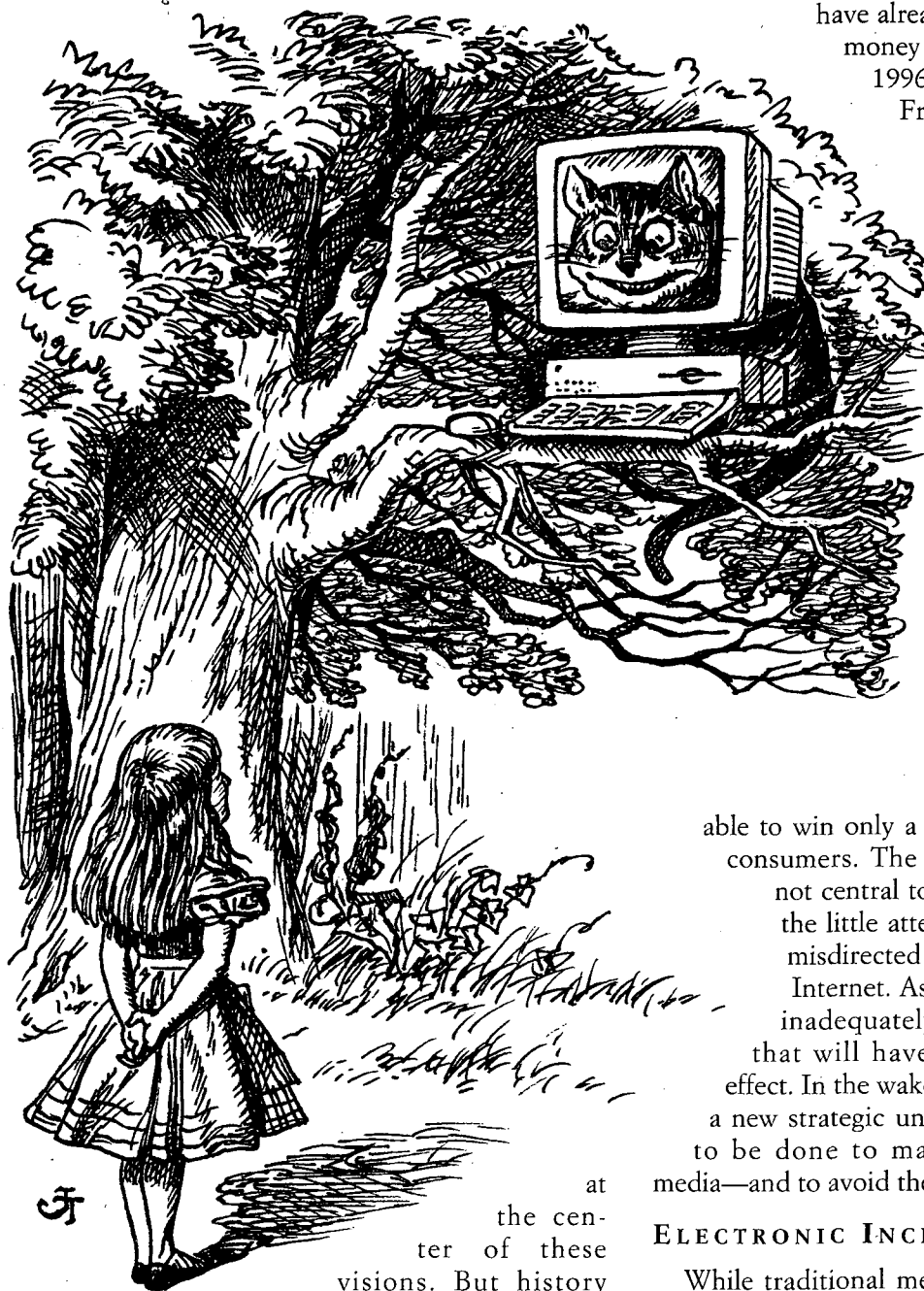
After 50 years of controversy over the impact of television on children, a new world of online media is emerging that may have even greater impact on them. Almost one million children in the United States are now using the World Wide Web, according to a research and consulting firm specializing in interactive technology, and 3.8 million have Web access—figure that will grow rapidly in coming years. Like adults, children will increasingly be connected to a vast digital universe that transcends the family, the local community, and even the nation. Education will expand beyond the classroom and other traditional settings, as more interactive “edutainment” becomes available. New personal and portable technologies will enable children to inhabit their own separate electronic worlds.

The dazzling graphics and engaging interactivity of the new multimedia technologies will make them potent forces in the lives of children. If harnessed properly, the new media could enhance their drive to learn, provide them with access to a rich diversity of information and ideas, and enable them to reach across community and national borders. But there is also peril: Video game channels, virtual shopping malls, and manipulative forms of advertising targeted at children could further compound the problems in the existing media that have troubled parents, educators, and child advocates for decades.

We are in the midst of the formative stage of this new digital age. Government policies are being debated and enacted, marketing and programming strategies are being developed, and services for children are being designed. If we are to believe some hyperbolic visions of cyberspace, the information superhighway will be a great equalizing force that will bring unprecedented opportunity for all. Improvements in education and other benefits for children are often



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at the center of these visions. But history offers us cautionary lessons. In this century enthusiasts have hailed every new medium—from radio to FM to television to cable to satellites—with claims that it would reinvigorate our culture, expand educational opportunities, and enhance the democratic process. None has lived up to these claims. In each case, powerful commercial forces have used civic values to gain support for the new medium—and then squelched the very policies necessary to serve the public good.

In this recent phase, powerful media companies

have already poured vast amounts of money into lobbying to shape the 1996 Telecommunications Act.

From the beginning, corporations were able to frame the debate. While some political leaders, such as Al Gore as a senator, compared the new information superhighway to the interstate highway system, the Clinton administration's vision quickly became a privately built and operated national information infrastructure (NII). The Telecommunications Act is designed to encourage competition by deregulating the telecommunications market. Public interest advocates, though pitifully underfinanced, were able to win only a few positive provisions for consumers. The interests of children were not central to the legislative debate, and the little attention paid to children was misdirected at indecent content on the Internet. As a result, the law ignores or inadequately addresses critical issues that will have a significant long-term effect. In the wake of the legislation, we need a new strategic understanding of what needs to be done to make the best of the new media—and to avoid the worst.

ELECTRONIC INCLUSION

While traditional media are sometimes viewed as unnecessary diversions, digital media will soon become an integral part of daily life. Those without access to the communications system are likely to fall behind in education and be unable to compete in a highly selective job market. Yet just as access is becoming imperative, the number of children living in poverty, with little or no access to technology, is growing at an alarming rate. According to a 1994 survey, 11 percent of families with incomes of less than \$20,000 have a computer, compared to 56 percent of families with incomes above \$50,000.

One out of ten children under the age of six lives in a home without a telephone.

To its credit, the Clinton administration has raised the issue of disparities between the information rich and information poor. In its 1993 Agenda for Action, the White House called for all schools, libraries, and hospitals to be connected to the national information infrastructure by the year 2000. The idea was to provide equitable access through these institutions, even if it couldn't be assured for all homes. At present, there are a handful of government programs intended to encourage innovation and pay for pilot projects, but the administration has mostly relied on private, voluntary efforts to meet this goal.

Some promising projects have emerged, such as California's NetDay, a one-day effort in March 1996, spearheaded by Sun Microsystems, in which volunteers across the state strung miles of wire to connect elementary and secondary schools to the Internet. Relying heavily on such voluntary efforts, however, will likely leave many communities and schools unconnected. The vast majority of public schools, particularly for minority and low-income children, lack the basic technology and training to provide students access to computer networks.

Even if more children are able to use the new media through schools and libraries, they will still be at a disadvantage relative to children with access at home. An hour or two of computer laboratory time in school is not enough to acquire the technological competence that colleges and many jobs will require. Some argue that the costs of the equipment will go down dramatically in the next few years, making computer communications as affordable as televisions and VCRs. But monthly service charges are another barrier, and communications services that are now free or very inexpensive may become unaffordable. While some form of over-the-air television is likely to remain free, most other video services will require payment. For families in poverty, either the upfront cost of equipment or service charges may be insurmountable barriers.

The Telecommunications Act could have created comprehensive policies for ensuring equitable

Access isn't the only challenge; the quality of the new media culture for children also raises concern.

access to the national information infrastructure. But because of the conservative political climate, the federal deficit, and unprecedented lobbying expenditures and campaign contributions by the telecommunications industries, the legislation dealt very narrowly with the issue. The education and library communities were able to win a provision that requires telecommu-

nications companies to offer less expensive connection and service charges to schools and libraries than to homes and businesses. But the Federal Communications Commission (FCC) must define what "affordable" means. In consultation with the states, the FCC is now supposed to develop a universal service policy for the new digital era that includes the provisions for schools and libraries.

A NEW MEDIA ENVIRONMENT

Access isn't the only challenge; the quality of the new media culture for children also raises concern. Unlike TV, online media are dynamic and two-way. This participatory quality makes them particularly compelling to children. Such technological breakthroughs as real-time audio, real-time video, and virtual reality modeling language (which allows programmers to turn Web sites into three-dimensional environments) are transforming online media. Eventually, this interactive online world could supplant traditional television as the most powerful and influential medium in children's lives.

Many online services are now available that seek to challenge children by exposing them to places, people, and ideas far outside their everyday experiences. For example, Plugged In, a Web site created by a community computing center in Palo Alto, California, allows poor children to explore the Internet, produce their own art, and display it to other children around the world. [See the article in this issue by Mitchel Resnick and Natalie Rusk, "Computer Clubhouses in the Inner City," page 60.] Another Web site, CyberKids, enables children to write and share their own stories in an online magazine. Special networks have been established to foster online communities for children. With help from a federal grant from the National Telecommunications and Information Agency, the National Youth Center Network is addressing such

problems as violent crime and unemployment by electronically linking youth centers in low-income neighborhoods.

These educational and civic services, however, are in danger of being overshadowed by a powerful interactive commercial culture with an unprecedented ability to capture children's attention. Marketing to children has become a multibillion dollar business. The direct spending power of children, almost all of it discretionary, has risen rapidly in recent years. In 1995, according to *Interactive Marketing News* and *Youth Markets Alert*, children under 12 spent \$14 billion, teenagers another \$67 billion, and together they influenced \$160 billion of their parents' annual spending. As an executive for Turner Home Entertainment recently explained: "Probably for the first time in the consumer business, kids are now being recognized as a truly gigantic part of the consumer purchasing block." In the last decade, these trends triggered a proliferation of new TV networks aimed at capturing a segment of the hot children's market, including the controversial classroom news service Channel One, the highly profitable Nickelodeon cable channel, CNN's Cartoon Channel, and the Fox Children's Network.

With the FCC's deregulation of children's television in the mid-1980s, toy manufacturers began the wholesale creation of "kidvid" series that served as half-hour commercials for a line of licensed products—from He-Man to the Care Bears to the Transformers. Character licensing has become the driving force not only in children's television, but also in much of the rest of children's culture. Cross-promotion of licensed products through TV, movies, magazines, discount stores, and fast food restaurants has produced a proliferation of licensed characters that permeate every facet of a child's life.

The new online services for children are being developed in the context of this highly commercialized children's media culture. Children are a disproportionately important market for the new interactive media because they are early adopters of high-tech products. Marketers who view chil-

dren as the "lucrative cyber-tot category" see the emerging media as a fertile new frontier for targeting children. As an executive from Saatchi and Saatchi, a leader in the online kids' marketing field, recently proclaimed, "There is nothing else that exists like it for advertisers to build relationships with kids."

Advertisers are already aggressively moving into cyberspace. A new Coalition for Advertising Supported Information and Entertainment (CASIE), led jointly by the American Association of Advertising Agencies and the Association of National Advertisers, is spearheading lobbying efforts to ensure that advertising becomes the dominant mode for funding online content and to ward off government restrictions. The coalition claims that advertiser support for online services is the only way to make information services affordable to all.

But the consequences of making advertising the key to universal access for children are troubling. Advertisers are not just supporting online content; they are shaping much of the virtual landscape

for children. At Saatchi and Saatchi, psychologists and cultural anthropologists have perfected a variety of techniques—including play groups, art, and games—to probe children's feelings and behavior when they go online. They are also studying the nature of "kids' culture" as a separate set of experiences and values from that of adults. Knowing that children often use computers alone, marketers are carefully cultivating this separateness in the design of online services that circumvent parental authority. One online children's service recently published results from a survey that asked children whom they trusted more—their parents or their computers. The majority of respondents said they put more trust in their computers.

According to advertising researchers, going online quickly puts children into a "flow state," that "highly pleasurable experience of total absorption in a challenging activity." This is an optimal condition for advertisers to reach children. Traditional commercials will not work online. "Anything that is perceived as an interruption of the flow state," explained a Saatchi and Saatchi executive, "whether it's artwork being downloaded

Federal regulations limit TV advertising to children, but no such rules exist in cyberspace.

or an ad that is obtrusively splattered on a screen, is going to get a negative reaction." So the solution is the seamless integration of content and advertising in "branded environments." The goal of these environments is to "get kids involved with brands"—including "brand characters, brand logos, brand jingles, and brand video."

Major children's advertisers have Web sites where children are encouraged to come and play for extended periods of time with such product "spokescharacters" as Ronald McDonald, Kellogg's Snap, Crackle, and Pop, and Chester Cheetah. The aim is to encourage children to develop ongoing relationships with the characters—and the products. Within days of visiting the Kellogg's Web site recently, for example, one child received unsolicited e-mail from Snap, Crackle, and Pop, urging her to return for more fun.

The new interactive media are being designed to compile personal profiles on each child to help in developing individually tailored advertising known as "microtargeting" or "one-to-one marketing." The sites get children to volunteer such personal data as e-mail address, street address, the identity of other family members, and purchasing behavior and preferences. Sophisticated computer software can track every move a child makes online and give marketers "clickstream data" or, in the vernacular of the business, "mouse droppings."

Federal regulations limit TV advertising to children, but no such rules exist in cyberspace. Marketers can pursue children with few restraints. Nothing prevents them from collecting personal information from children and selling it to third parties. The lines among advertising, entertainment, and information—already dangerously blurred in television and other media—are likely to disappear entirely in the new online environment. "What is really happening [on the Web]," explains one industry expert, "is what will ultimately happen on interactive television: the infomercialization of all programming." Adds another: "The blending of entertainment with advertising will work if packaged correctly: just look at how the toy industry has taken over production of Saturday morning cartoons."

Even traditionally noncommercial services are likely to be shaped by the norms of this new unregulated media environment. While PBS is prohibit-

ed from most forms of advertising on television, there are no restrictions on its use of advertising online. Children's Television Workshop, producer of such highly acclaimed noncommercial programs as *Sesame Street* and *Ghostwriter*, has recently begun developing advertiser-supported cable and online services for children.

AN AGENDA FOR REFORM

Although the 1996 Telecommunications Act established a broad framework for federal policy, there are still opportunities to influence the shape of the new electronic media. Three key goals should guide public and private voluntary efforts.

Ensuring universal access. Every child, regardless of income, should have access to the advanced communications technologies and services necessary for their education and full participation in society. Providing access to telecommunications can in no way be a technological quick fix for more complex social and political problems. But those problems will only intensify unless we adopt policies—and invest significant resources—to ensure access for all segments of society.

Political participation needs to be expanded beyond those groups that have traditionally been involved in telecommunications policy. Child advocacy, parent, health, and other constituencies need to understand what may seem to be a highly technical subject. Targeted strategic interventions at the state level could have a positive influence on local communications services. In such states as Ohio, coalitions of education, consumer, and low-income advocates have succeeded in obtaining substantial resources for community computing centers, educational technology, and training. Public interest groups need to monitor the plans of telecommunications companies to prevent "electronic redlining"—omitting low-income neighborhood from new initiatives. Public hearings can help raise the level of the debate and create a forum for articulating a public vision for how the new telecommunications can serve children. Such organizing efforts could lay the groundwork for a national movement on behalf of children's interests in the national information infrastructure.

Developing safeguards. Preventing the commercialization of online media for children may be

impossible, but there is an important opportunity to influence the design of new interactive services. A report issued in late March by the Center for Media Education, the organization of which I am president, documented the emerging patterns of online advertising and marketing to children. In response, a few companies have stopped some of the most egregious practices, and industry trade associations have promised to adopt guidelines to regulate their own conduct. As past experience has shown, however, self-regulation is likely to have little impact unless there is effective government oversight and enforcement. New screening software programs, such as Net Nanny, Cyber Patrol, and SafeSurf, may enable parents to screen out certain content areas or restrict the information that children can give out, but these tools are unlikely to be sufficient. Because children are a particularly vulnerable audience, effective legal safeguards will be necessary to prevent manipulation by advertisers and to protect children and their families from invasions of privacy.

The Center for Media Education and Consumer Federation of America have jointly urged the Federal Trade Commission to develop guidelines for advertising to children in cyberspace. These rules would restrict the collection of personally identifiable information from children and require disclosures of data collection practices on all Web sites and online content areas directed at children. In addition, we are calling on the FTC to require clear separation between content and advertising in online services targeted at children. These rules should also apply to the interactive television services under development. Although the U.S. district court decision on June 12 restricts government regulation of indecent content on the Internet, it does not prohibit either regulation of commercial speech or government safeguards to protect online privacy.

The global nature of the Internet also calls for international efforts to develop standards for new media programs and services targeted at children. Since many countries already have stricter policies for protecting children than we do, international guidelines could raise the standards for children's interactive media in the United States.

Creating a noncommercial children's civic sector. The emerging media environment should serve children not only as consumers, but also as

citizens. While a number of exciting services for children are available on the Internet, they may disappear or be overshadowed by an all-pervasive commercial culture that will capture and dominate children's attention. If, as current trends suggest, the dominant method of financing the new media is likely to be advertising, we need to assure the availability of noncommercial educational and informational services for children. Just as we have public spaces, playgrounds, and parks in our natural environment, so we should have public spaces in the electronic environment, where children will be able to play and learn without being subject to advertising, manipulation, or exploitation.

New models for producing and distributing noncommercial services need to be explored. For example, an alliance of nonprofits, artists, film makers, and educators might create a new children's service that combined the traditions of public television with the innovative potential of the Internet. Public and private funds might help launch a children's version of C-SPAN—"Kidspan." A consortium of government and private program suppliers from various countries might create an international children's programming service.

To ensure long-term survival, noncommercial programs and services need a dependable source of funds. One untapped revenue source could be the sale of broadcast spectrum, valued at as much as \$70 billion. Other possibilities include the creation of a trust fund exclusively for children's services, using a combination of public and private money.

There is also a need for more civic-minded research to think through these issues. The telecommunications industries have enormous resources for sophisticated economic analysis, but the public interest community has been ill-equipped to compete. New models for financing universal access and achieving other reform objectives need to be explored.

This is the ideal time for efforts to insure this new media system serves the needs of children. Once the new media institutions are firmly entrenched, it will be almost impossible to change them. The system is still fluid enough for those who care about the character of our culture and our children to create a rich electronic legacy for future generations.□

SOCIAL CHANGE ONE ON ONE

THE NEW MENTORING MOVEMENT

BY GARY WALKER AND MARC FREEDMAN

Past the video games, the 11th Frame bar, and the orange formica shoe-rental island, occupying half the Saturday afternoon lanes at Mel's Bowl in Oakland is a scene to warm the civic heart: 25 lanes packed with bowlers, impervious to the brilliant spring day outside, immersed in spontaneous sociability.

The crowd is at Mel's today to participate in Bowl for Kids' Sake, a fundraiser for the Big Brothers/Big Sisters program that has generated nearly \$125 million in donations since 1981. This year the Oakland program expects to net close to \$150,000. Nationally, with endorsements from both the Professional Bowlers Association and the Bowling Proprietors Association of America, two million Bowl for Kids' Sake participants will produce more than \$15 million, second only to United Way contributions as a source of financial support for the mentoring work of Big Brothers/Big Sisters organizations.

The remarkable feature of Bowl for Kids' Sake is that it is fundamentally a fundraiser for social capital, helping to underwrite a program that constitutes one of the most important forms of connectedness that political scientist Robert Putnam and other observers fear is disappearing [see Robert Putnam, "The Strange Disappearance of Civic America," *TAP*, Winter 1996, and the correction from Putnam and John F. Helliwell this issue, page 18].

As the late sociologist James Coleman—who first introduced the concept of social capital to an American audience—explained nearly a decade ago, "Social capital in the community exists in the interest, even the intrusiveness, of one adult in the activities of someone else's child." For Coleman this was most vividly expressed in relationships that crossed generations and were characterized by "attention, personal interest and intensity of involvement" on the part of the adults.

Coleman might as well have been reciting the mission statement of Big Brothers/Big Sisters of America. For nearly 100 years Big Brothers/Big Sisters has defined the enterprise of face-to-face connecting so completely that it owns the trademark, One to One. It is also one of the best-known youth programs in America. A 1994 Gallup poll found that 78 percent of Americans are aware of Big Brothers/Big Sisters, which matches

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75,000 children from single-parent homes ("Littles") with volunteer mentors ("Bigs") through more than 500 chapters nationwide. The activities encouraged by the program are primarily informal and friendly. Depending on a youngster's interests, a mentor takes the child out to eat, to watch a ballgame, to go to a concert, or just to talk—on average three times a month, three and a half hours each time. That amounts to 126 hours a year, or about three 40-hour work weeks, which is no small commitment.

The case of Big Brothers/Big Sisters and the new mentoring movement it has helped spawn offer a concrete opportunity to reexamine the sweeping thesis that social capital in this country is plummeting, without organic prospects for replenishment. By focusing on one of its most important and elemental expressions—the attempt to create one-to-one relationships between adults and youth—it is also possible to explore if and how public social policy can help rebuild the civic infrastructure of neighborhoods.

THE PERSONAL TOUCH

Big Brothers/Big Sisters began its long crusade to foster adult-youth connections in 1904, launched by Ernest Coulter, a New York newspaperman who left journalism to work in the city's first children's court. Appalled by the harsh juvenile justice and social welfare systems he encountered in his new job, Coulter appealed for help to his friends at the Men's Club of the Central Presbyterian Church of New York.

Recounting the story of one promising child relegated to the custody of an uncaring system, Coulter told the professionals and businessmen of the Men's Club: "There is only one possible way to save that youngster, to have some earnest, true man volunteer to be his big brother, to look after him, help him to do right, make the little chap feel that there is at least one human being in this great city . . . who cares whether he lives or dies."

The experience of the 39 volunteers who signed up that night was far from glorious. Coulter himself spent eight years unsuccessfully trying to rehabilitate a member of the Fagins street gang. Nevertheless, the movement caught on, largely by contrasting itself to the emerging bureaucracies of early-twentieth-century urban America.

At a revival-like rally for the new movement held at the Casino Theater in New York in 1916, a

multiracial, ecumenical crowd of 2,000 recruits listened to Rabbi J.L. Magnes and a parade of clergy lambast these institutions and their "social machinery." "In this day of cold efficiency—efficiency in business, efficiency in charity," Magnes charged, "it is a miserable small justice our great organized charities do. . . . The personal touch is absent."

Almost 100 years later, the circumstances that so outraged Coulter and Magnes and launched the Big Brothers/Big Sisters movement are dramatically worse. British child care expert Penelope Leach warns that if we want to socialize our children, we must socialize with them. Yet increasingly, many of this country's youth have few responsible adults to lean on for nurturance and support. Market forces, individual decisions, and public policies have all converged to produce a situation for kids that everyone decries.

For one, there are fewer adults in families. Today more than one in four children is born into a single-parent household; among African Americans, it's two of three. The 1980s alone saw a doubling of *no-parent* households (that is, households where kids are being raised by grandparents, other relatives, or foster parents), and nearly 40 percent of our youth grow up in fatherless homes. And regardless of the number of adults, the time famine afflicting so many working parents makes it difficult for them to spend sufficient time with their kids.

The settings that might compensate for these shifts—neighborhood streets and schools—frequently don't offer much help. One poll finds that nearly three of four Americans do not know the person living next door; meanwhile, in many urban neighborhoods, the fear of violence has driven community adults, once an important source of socialization and support, behind locked doors. The problem is particularly acute in schools that are now often impersonal teaching factories, reeling in the wake of budget cuts. Student-counselor ratios exceed 500 to 1 in most urban districts. Class size is 30 or even 40 students, and the average teacher will often face 200 students in a single day. Even the most caring find it hard to connect with more than a few young people.

These figures are all the more troubling given the level of stress so many young people confront. Today's youth face a bewildering array of hazards, with those living in the inner city particularly besieged. Seventy percent of these children, by the

age of 15, have witnessed someone being beaten, while nearly a third have watched someone being shot. A recent survey of 2,000 teenagers by Louis Harris and Associates found that one in eight youth carries a weapon to school for protection. In high crime areas the number jumps to almost two in five—with one out of three cutting classes or staying away from school regularly out of fear for their safety.

In short, many youth are without adult support at precisely the juncture in their lives when they need it most. And while common sense tells us this is an unhappy situation, social science—through an array of studies on “resilient” children who overcome the odds of poverty—suggests that it is also a missed opportunity.

In the most substantial of these studies, developmental psychologist Emmy E. Werner followed 500 Hawaiian children growing up in poverty on Kauai. Examining their lives from birth to adulthood, over a 30-year period, Werner found that the youth who managed to make it, against the odds, all could count on the support of an adult mentor other than their parents.

Anthropologists William Kornblum and Terry Williams followed 900 children in urban and rural poverty across the U.S., concluding that “the most significant” factor determining whether teenagers would end up on the corner or in a stable job “is the presence or absence of adult mentors.” Earlier this year, Arthur Levine, the president of Teachers College at Columbia University, reached the same conclusion in a book of case histories chronicling the experience of 24 disadvantaged children who had made it to college.

MAKING A DIFFERENCE

Against this backdrop, the busy lanes at Mel’s Bowl are reassuring. Better yet, Mel’s patrons are not alone. While overall volunteering is on the sharp decline (dropping from 54 to 48 percent of adults from 1989 to 1993, according to a Gallup survey), the number of volunteers in Big Brothers/Big Sisters programs continues to grow steadily. Indeed, Big Brothers/Big Sisters has helped to create the new mentoring movement by providing support to other initiatives and establish-

ing the legitimacy of matching youth with unrelated adult mentors.

Over the past decade hundreds of corporations, universities, youth organizations, and religious and civic groups have hopped on the mentoring bandwagon. Nationally, a wide range of groups have joined Big Brothers/Big Sisters in promoting the mentoring cause, from Proctor and Gamble to the Rainbow Coalition. California, New York, and Rhode Island have established statewide mentoring campaigns, with citywide efforts launched to considerable fanfare in Kansas City, Newark, Oakland, Baltimore, Milwaukee, and dozens of other locations around the country. A recent volume, *Nurturing Young Black Males*, published by the Urban Institute, suggests a particularly rich flowering of these efforts in the African-American com-



munity, sponsored by church groups, fraternities, sororities, and networks like Concerned Black Men and One Hundred Black Men.

We also now have powerful evidence that mentoring works. In 1992 the organization for which we work, Public/Private Ventures, undertook an independent evaluation of Big Brothers/Big Sisters. (Public/Private Ventures is a nonprofit social policy development and evaluation firm in Philadelphia that focuses much of its work on youth and young adults; the evaluation of Big Brothers/Big Sisters was financed by the Pew Charitable Trusts, Commonwealth Fund, Lilly Endowment, and an anonymous donor.) To carry out the research, Public/Private Ventures studied

nearly 1,000 10- to 16-year-olds who applied to Big Brothers/Big Sisters in 1992 and 1993 but were still on a waiting list. More than 60 percent of the sample were boys; more than half were members of minority groups, mostly African Americans. Over 80 percent came from impoverished families, and almost all were being raised by a single parent, usually the mother. Approximately 40 percent were from homes with a history of drug or alcohol abuse and nearly 30 percent came from families with a record of domestic violence.

Half these young people, randomly chosen, were matched with a Big Brother or Big Sister, while the rest stayed on the waiting list. Eighteen months later, the differences between the two groups were dramatic. The involvement of a Big Brother or Big Sister in a young person's life for a single year reduced first-time drug use by 46 percent (at a time when drug use is mounting among teenagers), cut school absenteeism by 52 percent, and lowered violent behavior by 33 percent. Youth with a Big Brother or Big Sister were more likely to perform well in school, much more likely to relate well to family and friends, less likely to assault somebody, and much less likely to start using alcohol. The effects were sustained for both boys and girls and across races.

What's especially startling about these findings is that the mentors were not trained in drug prevention, remedial tutoring, antiviolence counseling, or family therapy: Their instructions were to gain the kids' trust and become their friends. A companion study that looked in-depth over 18 months at 82 Big Brothers/Big Sisters relationships concluded that those adults who could carry out those instructions—not those determined to "straighten these kids out"—were far more likely to gain the trust and time necessary to have an influence on youths' lives.

In short, while many argue that "nothing works" for poor kids—especially if you don't reach them well before adolescence—the evidence says powerfully otherwise. At a time when "social engineering" of any kind has reached a nadir in the public's confidence, we find that the most delicate of social

forms—human relationships—can be created, and can accomplish important results.

OBSTACLES TO EXPANSION

With common sense and powerful evidence of effectiveness now lined up behind mentoring, you might think that the road ahead is now significantly clearer: We can floor the accelerator, and get on with it. But two obstacles stand in our way. They are the numbers of adults available to serve as mentors, and the organizational resources necessary for carrying out a successful program. Their repair is inextricably linked to a deeper structural flaw in the route to a more civil society, namely the widespread American belief that public policy is a necessary evil, only to be used after individual and social crises have occurred, and not as an integral, dynamic part of building and maintaining the social fabric.

Available adults. For all the success of Big Brothers/Big Sisters, the program is too small—far too small—in comparison to the number of young people who want or need a mentor. At present, the waiting list for Big Brothers/Big Sisters equals nearly half the 75,000 youth it matches in a year, a list comprised disproportionately of African-American boys. According to one Big Brothers/Big Sisters official, between 5 million and 15 million children could benefit from being matched with a mentor.

The modest number of Big Brothers/Big Sisters mentors results in part from a careful and lengthy screening process; only

about one in four people who show initial interest actually become mentors. But that selectivity is critical, not simply to screen out pedophiles but because relationships that don't work can be damaging to kids. It's important to know if an interested, well-meaning adult really has the time to mentor.

There are a multitude of smaller mentoring programs around the country, and there is no current and reliable estimate of the number of mentors they deploy or the time the mentors put in. But if the findings of an earlier Public/Private Ventures

While many argue that "nothing works" for poor kids—especially if you don't reach them well before adolescence—the evidence suggests otherwise.

survey hold up, a generous estimate is that these many smaller efforts triple the Big Brothers/Big Sisters number. Given the estimate of the kids who could use mentoring, it seems reasonable to conclude that at best a few percent of kids who could benefit from mentoring are getting it.

Infrastructure and resources. Though some Americans would like to believe that doing good springs simply from the heart, the Big Brother/Big Sister experience suggests that, at least in the case of mentoring, making a genuine difference requires a great deal more. It takes persistent, consistent involvement, and, as already noted, that necessitates substantial care in recruiting, screening, matching, and supporting the volunteers. Paid caseworkers carry out these critical functions for Big Brothers/Big Sisters; as a result, the program costs on average \$1,000 per year per match.

Cheaper programs may not have the same positive results. In other foundation-supported research, we have studied several mentoring programs that were much less structured, and thus much less costly, than Big Brothers/Big Sisters. In these programs many more adult volunteers were ill-prepared for the commitment and empathy required for mentoring a young stranger. On average the relationships did not last as long, and far fewer of them were successful, judging by interviews with both young people and mentors.

Perhaps the Big Brothers/Big Sisters results can be achieved for something less than \$1,000 per year—but the amount needed won't be zero. If the new, streamlined mentoring were to cost only \$500 per year and we used the lower estimate of five million kids in need, we would still be about \$2.5 billion short.

Big Brothers/Big Sisters and the many smaller mentoring agencies do a good job of raising money through bowling fundraisers, United Way contributions, black-tie affairs, and foundation grants. They may also be able to squeeze 2 to 3 percent more money from private sources. But even if they are spectacularly successful at fundraising, there is still insufficient monetary support for the programs. Thus if a few million new volunteers suddenly appeared, there would be inadequate infrastructure to do anything with them. And there is plenty of sobering experience with poorly administered volunteers.

These are, remember, children.

Facing shortages of volunteers and dollars, Big

Brothers/Big Sisters programs across the country are busy innovating and adapting. They are trying to recruit more older adults as mentors. They now involve high school students as "Bigs" and work with schools and other partners in an attempt to lower supervisory costs. Indeed, this willingness to adapt is what separates Big Brothers/Big Sisters from many civic organizations that have become passé. Still, these measures are insufficient.

Until we accept the integral role of the public sector in scaling up effective private initiatives, the potential of mentoring will remain unfulfilled. Unfortunately, for some time public debate has been marooned over ideological opposition between voluntary action and public involvement. (George Bush was fond of contrasting the "good" and the "Great" societies, highlighting the superiority of the former over the latter, and this tendency continues among many right-wing champions of voluntarism today.)

Nevertheless, there are hopeful signs. In Congress, for example, Democrat Frank Lautenberg of New Jersey successfully shepherded the Juvenile Mentoring Program Act (JUMP) to passage, providing federal support for grassroots mentoring programs. JUMP has also won the hearts of some conservative Republicans. Dan Coats of Indiana, who—along with Connecticut liberal Christopher Dodd—is one of two former Big Brothers in the Senate, announced that he would include a measure based on JUMP, the Character Development Act, as one of 18 bills in his Project for American Renewal. Coats's act will offer federal grants to link public schools and local mentoring programs. Republican Governor Pete Wilson of California has proposed putting \$15 million in state funding directly into local mentoring programs to address teenage alcohol and drug abuse, pregnancy, violence, and school failure.

But these hopeful signs are only that; on balance, most policy efforts remain small, scattered, and symbolic.

AN ARMY FOR YOUTH

Blending public and voluntary contributions would help mentoring programs to address the needs of young people for adult contact. Yet it would be a mistake to underestimate these needs or to overestimate the capacity of volunteers to meet them. The isolation of young people is a structural problem resulting from fundamental,

corrosive social changes. Volunteer mentoring is a critical step in the right direction, but rather than being a sufficient response, it highlights an unmet need and calls out for reinforcements.

From where might these reinforcements come? For one, we need to expand the number of paid youth workers available to connect with children, as mentors, in the hours kids spend outside of school. In this vein, David Liederman, director of the Child Welfare League of America, urges establishment of a corps of inner-city youth workers, "able to hit the streets and work directly with kids in their own neighborhoods." He argues that these are the role models kids really need—not famous athletes on television, but caring adults they can "see, touch, and talk to." Hugh Price of the National Urban League estimates that we could support 500,000 such youth workers for the crucial afternoon and early evening hours for the price of the 100,000 new cops that were so central to the debate over the 1994 Crime Act.

In fact, this vision of a "small army" of adults committed to youth is being partly realized through national service, another example of the role that public policy can play in rebuilding the social capital available to kids. A significant portion of the 20,000 national service participants in AmeriCorps are working in direct and intensive one-to-one roles with youth, many of them helping to expand grassroots mentoring projects.

Friends of the Children in Portland, Oregon, offers a compelling example. Created by a local financier, the program employs "full-time caring, loving adults" who each work intensively with eight young children identified by teachers as destined for trouble. The adult Friends spend time in the classroom, serve as a bridge between school and home, and act like surrogate family to the kids. Their goal is to stick with them from second grade to high school. Until last year, however, budget restrictions limited this promising program to four adult friends. With AmeriCorps dollars, Friends of the Children has moved from a complement of 4 to a corps of 24 mentors, and the number of children served has increased dramatically.

The Foster Grandparent Program, a little-known product of the War on Poverty that is now run by the Corporation for National Service, is another potential platoon in this much-needed army. Foster Grandparents work one-on-one with 90,000 children a year, making it the biggest one-

to-one program in the U.S., bigger even than Big Brothers/Big Sisters. These Grandparents are low-income women and men over the age of 60 who serve 20 hours a week in schools, Head Start centers, and youth organizations for a stipend of about \$200 a month.

As with Friends of the Children and other youth workers, Foster Grandparents are able to maintain relationships with as many as ten children each, providing consistent, weekly (if not daily) attention, while dramatically expanding the number of young people that can be served. At this ratio, 500,000 youth workers might eventually be able to reach as many as five million young people at a level of intensity equivalent to that provided by Big Brothers and Big Sisters.

A GREAT TRANSITION?

When James Coleman argued that social capital was declining ten years ago, he presented his case in historical terms extending back to the Industrial Revolution. When men left the household in droves to work in factories in the nineteenth century, an extensive public investment was required "in a new form of social capital, mass public schooling." Now that women are leaving home, we must think again, he suggested, about institutional changes. These reforms should focus not on classroom instruction, but on caring for children—as Coleman put it, "all day; from birth to school age; after school, every day till parents return home from work; and all summer."

In this context, mentoring appears as a transitional movement, part of a much larger working through of potential institutional and social changes. Indeed, in the latter part of the nineteenth century, the limitations of the Friendly Visiting movement—built, like mentoring, around middle-class volunteers, a belief in the transformative power of personal relationships, and a focus on improving the lives of poor children—led to the establishment of the social work profession.

However, the potential implications of mentoring extend further, past the creation of new roles, to the reform of institutions—in particular, transformation of those faceless bureaucracies that Rabbi Magnes and the early proponents of Big Brothers/Big Sisters so despised. As we seek to develop more powerful strategies for supporting kids, we cannot afford simply to rail against these institutions or to write them off. Rather, we must

strive to combine the efforts of volunteers and staff in ways capable of transforming the two settings where young people spend the majority of their time outside the home: schools and youth organizations.

Today, little of the money being spent on reform of schools, foster care, and other youth-serving institutions leads to more sustained adult contact with youth. Our goal, in contrast, should be to work through schools and youth organizations to construct a web of support for children, sustained by adults acting together, as partners, to help out with the long-term, complex process of developing young people. This is not just because these changes seem kinder and more gentle, but because a caring climate is the key to successful results, according to research on a wide range of children's initiatives.

Ultimately, this approach suggests a new approach to schools and youth programs. We need to fill these places with interested adults—not only with volunteer mentors, but also with youth workers, teachers, coaches, counselors, and others with the time and inclination to establish close ties with young people. Young people in these settings would find ample opportunities to develop natural connections and to select the right mentor at the right time. As we go about “stocking the pond,” so to speak, we should also help youth to “fish,” to make best use of the adults they find in their path. Doing so builds off a central lesson from the study of resilient children, who typically overcome poverty by actively *recruiting* mentors from the surrounding community. More kids can learn how to reach out to adults, too.

ELEMENTARY CARING

How will we ever develop the constituency for such sweeping reforms—and the dollars they will require? The issue provokes a final point about mentoring's potential to rebuild social capital and revitalize civic engagement. While the isolation of youth is a primary reason for mentoring programs, many of the middle-class adult volunteers are just as isolated from the realities of poverty as participating youth are from middle-class life.

At a time when statistics no longer shock, mentors are brought face-to-face with the unfair impact of poverty on innocent children. Many wonder how their own children would fare under such circumstances. This education can build not only empathy, but also advocacy. In other words, mentoring can be every bit as much a social program for adults as for kids, a vehicle for developing their civic instincts while building bridges between communities.

Investment banker Felix Rohatyn's involvement as a sponsor of the “I Have a Dream” project illustrates this process. While mentoring young people in a New York City public school class he adopted,

Rohatyn concluded that the youth worker he hired to connect with the children was *the* critical ingredient in the program's success. As a result, he became an influential advocate for reducing the ratio of students to guidance counselors in New York elementary schools. He even attempted to hold up approval for the city's budget in the late 1980s until the school system began making changes to create more caring climates for kids.

The anthropologist Mary Catherine Bateson observes that every adult needs a relationship with a flesh-and-

blood child to imagine what the future will be like as that child's life unfolds. For her, this amounts to “the elementary school of caring.” The new mentoring movement offers vivid examples of such a school—an elementary school of caring for other people's children, particularly children of the poor.

But by serving as a catalyst to broader institutional changes, the movement holds the potential to graduate beyond elementary contributions. In this process, social policy can offer critical assistance, if it is savvy about identifying the opportunities for rebuilding social capital and willing to blend public and voluntary support.

This may well be something that Democrats and Republicans, liberals and conservatives, can agree upon. The forces pulling us apart today seem almost inexorable, yet Big Brothers/Big Sisters and the mentoring movement are timely reminders that our social instincts continue to function, offering not only a basis of hope but also an opportunity to act. □

Little of the money spent on institutions like schools leads to more sustained contact between youth and adults.

The Voter's Guide to Election Polls

**Michael W. Traugott, University of Michigan and
Paul J. Lavrakas, Northwestern University**

"Traugott and Lavrakas have done an outstanding job in this primer on election polls. Written in a clear, easily accessible style, it should be on the required reading list of any undergraduate course that deals with public opinion and polls—and many graduate courses as well. All journalists who report poll results, including those who consider themselves to be highly experienced, will find it worth their while to use this guide when reading the poll releases that come across their desks. I also recommend it to private pollsters, many of whom should read it as a much needed refresher course."

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ANDREW M. SUM, NEAL FOGG, AND ROBERT TAGGART

The Economics of Despair

Since the late 1970s, social science researchers, the media, private foundations, and policymakers have directed considerable attention to the labor market problems of young adults and their families. Most of this attention has focused on high school dropouts, the poor, minorities, and inner-city youth. But an equally troubling—and broader—problem has received comparatively less notice: the steep and sustained decline since 1973 in the real (inflation-adjusted) earnings of young men and women generally. Even adjusting for demographic and socioeconomic characteristics, the labor market problems of young workers are disproportionately severe—they include higher than average unemployment and relatively low earnings when employed. This sustained drop in earnings has been especially dramatic for young adults with no postsecondary school education.

Most proposed remedies have emphasized the quality of the labor supply. But improving education and training, while often worthwhile and necessary, is not by itself sufficient to raise earnings. If this downward trend, which has persisted through recession and recovery alike, is to

be reversed, then policymakers and educators must address the demand side as well as the supply side. Raising young adult wages will require not only better academic performance, training, apprenticeships, and school-to-work programs, but also full-employment policies, changes in the configuration of jobs and careers, and larger young adult union membership.

FALLING WAGES

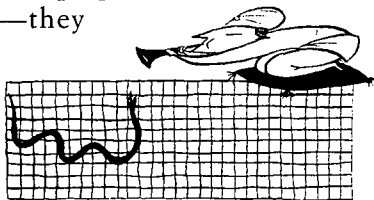
Prior to 1973, the annual and weekly earnings of both young adults and older workers had been improving markedly. Between 1967 (the year the Bureau of Labor Statistics began tracking weekly earnings of wage and salary workers) and 1973, the real median weekly earnings of 16-

to 24-year-olds rose by approximately 8 percent. Since 1973, however, the earnings of young adults have fallen almost continuously. Between 1973 and 1979, the weekly earnings of young men working full time fell by 7 percent. Young men experienced a 19 percent decline in earnings (a real value of \$72 per week) between 1979 and 1989. This decline cannot be attributed solely to business cycle contractions. About half of the 19 percent decline did take place during the recessionary

period of 1979-1982. But between 1982 and 1989, a period of strong overall job growth, the weekly earnings of young men fell by another \$33, or 9 percent. Earnings declined still more between 1989 and 1994, dropping yet another 9 percent. The result of all this decline? A young man under 25 years of age employed full time in 1994 earned 31 percent less per week than what his same-aged counterpart earned in 1973.

Annual earnings trends display the same pattern. Using findings from the U.S. Census Bureau's annual work experience surveys, we estimate that between 1973 and 1993 the median real annual earnings of young males employed on a full-time basis for at least 27 weeks fell from \$18,600 to \$13,700, a decline of 26 percent. Young male high school dropouts experienced a 32 percent decline in real annual earnings, while high school graduates with no college education experienced a 29 percent decline. In 1993 a young male high school graduate earned in real terms only what a comparably aged high school dropout was earning in 1973. And a four-year-college graduate in 1993 earned only slightly more than a high school graduate earned 20 years earlier.

Young women also experienced earnings declines over this period, but of a smaller relative magnitude. From 1973 to 1994



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DECLINING WEEKLY EARNINGS

Median weekly earnings (in 1993 dollars)
of 16- to 24-year-olds, 1967-1994

Year	Men	Women
1967	\$386	\$294
1973	\$417	\$315
1979	\$388	\$299
1982	\$349	\$293
1989	\$316	\$286
1994	\$286	\$271

Source: U.S. Bureau of Labor Statistics

the real median weekly earnings of young women fell 14 percent—compared to a decline of 31 percent for young men. Because the earnings declines among young men have been significantly larger than the earnings declines among young women, the median weekly wages of young men and women have substantially converged. Whereas in 1973 the average young woman working full time earned only 75 percent of what her male counterpart earned, a young woman in 1994 typically earns 95 percent of what her male equivalent does. Near-equality of earnings between the sexes, sadly, has been attained only as part of a broader decline in the earnings of all young adults.

Of course, wage declines during this time have clearly not been confined to young adults. The earnings of full-time employed males older than 24 have also declined. The relative size of older men's earnings declines, however, has been much smaller—only a 9 percent

decline for men over 25 compared to 31 percent for men aged 16 to 24. As a consequence, the relative weekly earnings position of young men has deteriorated dramatically since 1967. In the late 1960s, a young man employed full time could expect to earn nearly three-fourths of what an older man earned. Until 1973, a majority of young men could earn enough to support a family. By 1994, however, their relative weekly earnings had dropped to only one-half the earnings of older men, leaving them hard pressed to contend with the costs of raising children.

These earnings declines would be less consequential if workers could look forward to higher earnings growth in their later years. Unfortunately, the earnings of most older males have also failed to keep pace with inflation over the past two decades. Using annual earnings data from the Census Bureau's March Current Population Survey, we can project that the

expected lifetime earnings of an employed male in 1973 would have been \$1.482 million. By 1993 an employed male's expected lifetime earnings had declined to \$1.312 million, a drop of 11 percent, despite the fact that the pool of employed males is now better educated. These declines have had the strongest percentage effect on least-educated workers: Employed males with fewer than 12 years of schooling have suffered lifetime earnings losses of an estimated 33 percent. Earnings of high school graduates have declined 26 percent.

ECONOMIC ADOLESCENCE

The steep downward trend in the earnings position of young men has lengthened the period of "economic adolescence," during which young adults are working but not earning enough to be economically self-sufficient or capable of supporting a young family. This development has, in turn, had a number of damaging consequences for young men and for society at large. Among the effects of this protracted adolescence are:

- a sharp increase in the age of first marriages;
- lengthier stays in the homes of parents;
- a rise in young single-parent families;
- reduced economic support of children;
- the increased economic attractiveness of drug sales and other illegal activities;
- the sustained rise in the numbers of young men incarcerated in jail and prison.

While we do not believe that economics is destiny, we do believe that changes in the labor market can in large part account for these wider social phenomena.

Between 1967 and 1973 the real median weekly earnings of young men grew by 1.3 percent per year. If the American economy had continued to generate weekly earnings gains at this modest rate from 1973 until 1994, the median real weekly earnings of young men would have been nearly twice as high in 1994 (\$551, in 1993 dollars) as the actual observed earnings were during that year (\$286). One does not have to be an economic determinist to believe that doubling real wages might alleviate some of our current social problems.

POSSIBLE CAUSES

Explanations of wage trends typically fall into three general categories: supply factors, demand factors, and institutional factors.

Supply-side factors. It is commonplace to attribute the declining wages of the young mainly to the quality of the labor pool. Too few of the young, supposedly, are equipped to compete in today's job market. But conventional supply-side explanations do not account very well for declining wages. If anything, supply-side forces ought to have led to *increasing* wages. Young men are better educated than they used to be, and there are fewer of them relative to the overall population—so their earnings should have gone up.

The number of 18- to 24-year-olds in the civilian noninstitutional population peaked in 1981, at just under 29 million.

DECLINING LIFETIME EARNINGS

Young adults beginning work now will earn considerably less over their lifetimes than their counterparts 20 years ago.

Years of Education	1973	1993	Percent Change
All	\$1,481,690	\$1,312,397	-11%
Less than 12 Years	\$1,119,503	\$750,072	-33%
12 Years	\$1,468,467	\$1,093,488	-26%
13-15 Years	\$1,634,382	\$1,273,995	-22%
16 Years	\$1,976,460	\$1,678,596	-15%
17 or More Years	\$2,161,950	\$1,995,593	-8%

By 1993 this number had declined to 24.1 million. Young adult workers comprised a smaller share of the workforce in 1993 than at any time since before the baby boomers began entering their young adult years, in the early 1960s. So the quantity of young adult workers was not a factor in these wage declines.

What about the quality of the young adult labor pool? Despite common misconceptions, young workers employed full time for 27 or more weeks in 1993 were considerably better educated than their peers in 1973, with a lower fraction of school dropouts and a considerably higher share with at least one year of postsecondary schooling. Moreover, test score findings by the National Assessment of Educational Progress (an assessment of the reading, math, and writing proficiencies of primary and high school students funded by the U.S. Department of Education) has revealed a moderate upward trend in reading proficiency and no significant change in mean math proficiency

in American 17-year-olds between the early 1970s and the late 1980s. Even Charles Murray and the late Richard Herrnstein conceded, in *The Bell Curve*, that the average verbal and math skills of recent high school students were as good as, if not better than, the skills of equivalent students in the 1950s. Though even higher skills may be required in this information age, young adults' skills have not deteriorated over time.

One supply-side development that may, in part, account for the relative earnings deterioration of some young adults is the increase in immigration of the 1980s and early 1990s. Since many immigrants are good substitutes for younger, less-educated U.S. native-borns, increased immigration may explain part of the decline in the earnings of young dropouts, especially males. Immigrants comprise a particularly high percentage of younger, lower-skilled workers. In March 1994 nearly 12 percent of 16- to 24-year-old males were foreign born, including 29 percent of

high school dropouts. Although the evidence from economic studies concerning the impact of immigration on the earnings of native-born citizens is mixed, some academic analysts (such as George Borjas, Richard Freeman, and Lawrence Katz) attribute a substantial portion of the declining earnings of less-skilled Americans to the increased supply of immigrants. If their analysis is correct, this raises questions about the advisability of maintaining current immigration flows.

Demand-side factors. Prior to 1973, many young men worked in manufacturing industries, which have historically paid above-average wages. But because of structural changes in the domestic economy and increasing import competition, young men are now much less likely to be employed in mining

percent of all net new jobs created between 1992 and 2005 will be in the retail trade and service industries, according to Bureau of Labor Statistics projections. Clearly, the future earnings power of today's young adults will be critically influenced by the salary and wage structures in these industries.

However, it is easy to overstate the earnings impact of the shift in young male employment from manufacturing to trade and services. We estimate that only 13 to 16 percent of the actual decline in the annual earnings of young men can be explained by changes in the industrial distribution of jobs. Even though manufacturing jobs have paid above-average wages in the past, the differences between what young men earned in different industries in 1973 were actually fairly small—so the effect of

the shift away from manufacturing should not have had a substantial impact on earnings. Over the past two decades, young male earnings have declined within virtually every major industry, including goods-producing industries, so that even those employed in manufactur-

ing are earning less in real terms than their 1973 counterparts.

It turns out that much more important than interindustry shifts have been the declines in earnings *within* industries. Only those employed in public administration posted gains in real earnings between 1973 and 1993, and they accounted for only 2.5 percent of employed young men in 1993. Between 1973 and 1993, the mean real annual earnings of employed young men fell by 22

percent. Earnings declines varied considerably by sector, ranging from lows of 2 percent in personal and entertainment services and 6 percent in professional services to highs of 23 percent in manufacturing, wholesale trade, and business and repair services, and 28 percent in retail trade.

Might some portion of these declines be attributable to decreased labor productivity? In part, yes: The Bureau of Labor Statistics has estimated that output per hour in such key retail trade industries as food stores, grocery stores, retail bakeries, variety stores, and eating and drinking establishments actually declined between 1973 and 1992. But while labor productivity was declining in the retail sector, it actually rose strongly in most manufacturing industries. Yet young men's real earnings in manufacturing industries also declined considerably—by 23 percent—over this period. Clearly there is no longer a guarantee that the benefits of increased labor productivity in manufacturing will be passed on to young manufacturing workers, a disconcerting development considering that a strong, direct relationship between rising productivity and rising young workers' earnings prevailed between the 1940s and the early 1970s.

Some economists have attributed these within-industry earnings declines to "skill-biased technological change"—shifts in demand in favor of more highly skilled workers capable of handling the requirements of sophisticated and computer-based technologies. But studies have shown that the widespread introduction of new technologies

Only by expanding the opportunities for work can we increase the wages of young workers.

and manufacturing, and much more likely to be working in retail trade and private services. The share of young men employed in goods-producing industries fell from 54 percent in 1973 to less than 39 percent by 1993. In contrast, approximately 27 percent of all young men employed full time in 1993 worked in retail trade industries, with another nearly 20 percent working in private and public service industries. More than 70

from the late 1970s onward was not accompanied by any major increased demand for highly skilled workers [see David Howell, "The Skills Myth," *TAP*, Summer 1994]. More likely, technology affects the young-adult labor market by making it easier for large companies to avoid hiring young workers, to globalize their operations, and to contract out to small, low-wage suppliers—in short, by enabling employers to pursue low-wage strategies that depress the wages of young adults.

Institutional factors. At least three institutional forces explain, in varying proportions, the decline of wages among lesser-skilled young adults: the decline of trade unionism, the drop in the real value of the federal minimum wage, and the large-scale "restructuring" of American corporations.

Unions boost wages but today's young workers are seldom represented by labor unions or other employee associations at the workplace. During 1994, fewer than 8 percent of employed men under the age of 25 were members of labor unions, a membership rate only one-third as high as that of their older male counterparts (aged 25-64).

Erosion of the federal minimum wage has contributed to rising earnings inequality among young men, particularly between those with earnings in the top and bottom 10 percent. Even so, the Clinton administration's modest proposed increases in the federal minimum wage would have no measurable effect on the real median weekly earnings of full-time employed young men. A hike in the minimum wage to \$5.15 per hour over the next two

years, combined with projected annual consumer price index increases in the 3 to 4 percent range, would yield a real weekly wage equal to only 44 percent of the median real weekly earnings that young men obtained in 1973 [see John Schmitt, "Cooked to Order," and Barry Bluestone and Teresa Ghilarducci, "Rewarding Work," *TAP*, May-June 1996]. The bottom layer of young, full-time earners would benefit from a minimum-wage increase, but the median weekly wage would remain unchanged. The entire wage distribution for young workers must be lifted—not simply the bottom layer—if earnings are to be restored to 1973 levels.

Finally, efforts to boost labor productivity and economic competitiveness have led to the adoption of new technologies, capital investments, labor deployment strategies, corporate restructuring efforts, and compensation policies that have substantially reduced the demand for and pay of semiskilled blue-collar workers and lower-level white-collar workers. Increasingly, younger adults without a college education have been relegated by companies pursuing short-term profits to being part-time, temporary, or just-in-time workers. The labor costs of short-term workers are more subject to management control than permanent workers.

WHAT MIGHT WORK

America's labor market crisis for young adults is not limited to minorities, dropouts, or the products of single-parent families. It is, to use Wallace Peterson's expression, a "silent depression," a set of deep and sustained earnings declines.

Moreover, there is no evidence that these youth will "grow out" of their lower-earnings trajectory as they get older. Efforts to improve real earnings prospects for young adults will only become more challenging in the years ahead as demographic changes yield increased supply pressures. What can be done to address this problem?

Full-employment policies. The federal government's efforts to move the nation's labor markets to true full employment (a 4 to 4.5 percent unemployment rate) would benefit young adult workers by expanding overall job opportunities and increasing access to year-round, full-time jobs. Greater competition among employers for younger workers would reduce their ability to offer only part-time and contingent positions and would lift earnings at the low end of the wage distribution. Support by the Federal Reserve Board for higher growth rates would ideally be complemented by coordinated efforts to create both private-sector jobs and subsidized jobs for out-of-school youth in high-poverty neighborhoods in central cities and rural areas. The U.S. Department of Labor is beginning to fund several demonstration programs in this area, but pilot programs are only a modest first step.

Improving education. Academic skill level remains a strong predictor of future earnings, strongly influencing access to both apprenticeship training and formal employer training. Employers want high levels of basic academic competency in their entry-level workers. A high school diploma no longer guarantees employability.

School-to-work and apprenticeship programs. Schools cannot solve the labor market problems of young adults by themselves. If they could, the rising proficiency levels among high school graduates and the reduced numbers of school dropouts would have translated into higher wages. Ultimately, it is the nation's employers who control the critical hiring, training, and compensation policies that determine the labor market fortunes of young adults. High schools, community colleges, and technical training institutes need to work more closely with employers to help students gain access to jobs, work-based learning, and formal training opportunities, including apprenticeship programs. In recent years, fewer than 1 percent of the nation's high school juniors and seniors have been involved in regular or youth apprenticeship training programs, and only 1 to 2 percent have been enrolled in an apprenticeship program three years after high school graduation. To this end, we recommend a number of different programs:

First, states should make sustained efforts to expand the number of work-based learning and youth apprenticeship programs with monies from the recently enacted School-to-Work Opportunities Act. This act, passed in 1994, was designed to encourage an integration of academic and vocational education and to increase opportunities for work-based learning. Expanding in-school employment opportunities, especially for those students not expecting to immediately

enroll in four-year colleges, is a desirable strategy. Recent research by Chris Ruhm of the University of North Carolina at Greensboro has revealed that work experience in the senior year favorably influenced the annual earnings of young noncollege-bound adults seven to nine years after graduation.

Second, state and local education and training agencies should leverage funds from state workforce development budgets and unemployment insurance trust funds to pay for programs that train young workers in transferable occupational skills. Paying for this training with state money gets around the problem of companies not wanting to pay for the training of a young adult who might end up employed by a competing firm.

Third, federal Pell grants (currently available to low-income youth to finance postsecondary education and training) can be broadened to purchase slots in occupational skills training programs. Research over the years has consistently shown that the economic impacts of vocational and technical education are critically influenced by the ability of graduates to secure jobs that are closely related to the occupational skills they acquire.

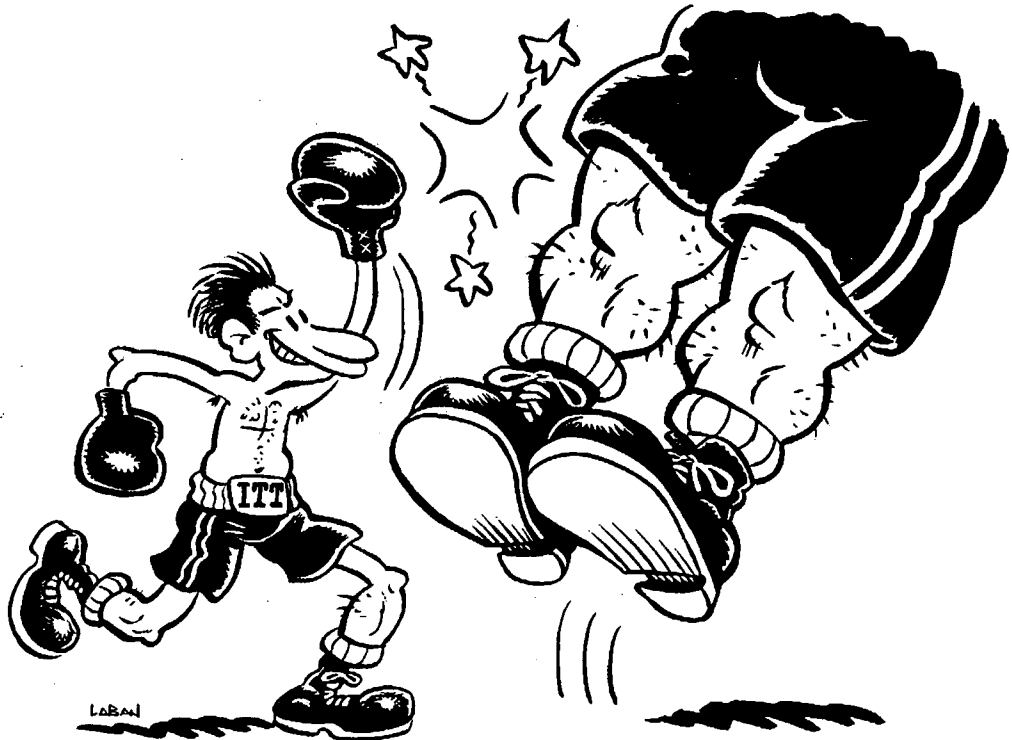
Fourth, greater funding should be provided to federal and state apprenticeship boards. Apprenticeship and employer-provided training, particularly formal training, has been consistently found to significantly raise the real earnings of workers. A summary of the findings of an array of studies on the impacts of training by Lisa Lynch of Tufts University revealed that the average hourly

wages of workers receiving training rise by 7 to 13 percent. This training also benefits employers by raising the productivity of such workers within their firms.

What clearly don't work are employment and training programs that involve only limited, nonintensive interventions and that lack close ties to jobs and employers. Studies of such programs reveal that they have no lasting effects on earnings. High school diploma equivalency programs not tied to either postsecondary educational opportunities or intensive job placement efforts also have limited effects on the earnings of former dropouts. There is no cheap human capital solution for the steep earnings declines of young men with no postsecondary schooling.

Finally, economic policymakers, employers, and labor unions need to consider seriously the extent to which a number of the labor market problems currently confronting young adults have been caused by past "solutions" to other problems. Efforts to boost productivity, especially in manufacturing, have had the unintentional side effect of lowering the demand for blue-collar and low-level white-collar workers. New corporate strategies, in pursuit of lower labor costs, have eroded the wages of young adults. The key to reversing young adult wage trends requires not only full-employment policies but also effective education and training programs. Only by providing more opportunities for year-round, full-time work—and by increasing the productivity of this work—can we hope to effect a sustained rise in the market wages of young adults. □

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MARTIN WALKER

Back to Class

Demographically, it had to happen. America's baby boomers were bound to be hit by nostalgia for their childhoods at some time, and the great transition from their 40s into their 50s seems to have been the trigger for an entire generation to feel a collective lump in the throat. Three recent books by Michael Elliott, Jeffrey Madrick, and Robert J. Samuelson are the literary and socio-economic equivalent of the sudden fashion for Nick at Nite, the Nickelodeon cable feature where boomers can rediscover the television and the comforting texture of their childhoods. For behind *Sergeant Bilko* and *I Love Lucy* and *Leave It To Beaver* lay the long postwar boom, the American miracle of the making of the world's first mass middle class.

"Why did Americans look back on the years after 1945 with such longing?" asks fortysomething Michael Elliott. "Because they were a time of great—unprecedented—national cohesion," he answers on one page. On another, he offers: "No immigrants; less bitter class divisions; a benign federal government; utter domination of the world economy."

"The economy did so well for the first few decades after the Second World War (especially in contrast with the Great Depression) that Americans

began to assume that Big Government and Big Business could guarantee its performance, and more, that the resulting improvement would effortlessly lead to more social justice, personal fulfillment and greater world order," writes just-turned-50 Robert J. Samuelson. "The United States would be the world's role model; our democracy would be the most admired, our economy the wealthiest."

For fiftysomething Jeffrey Madrick, "spreading prosperity, growing incomes, rising home ownership, expanding leisure time, increasing access to a good education, more secure retirements, the steady climb towards the middle class by more and more Americans, and an economy whose bounty has consistently exceeded expectations defines the golden age . . . characterized our history until 1973."

For each of these three authors, the golden age is over. They also agree that it ended at roughly the same time, in the early 1970s. This was the period that saw the Watergate scandal, the end of the Vietnam War, the coming of the OPEC price rise and its subsequent inflations, and the marked end of a 25-year period of growth in median family incomes.

In the early 1970s, the baby boomer generation, as indulged and pampered as any in history, began flooding

into the workforce. This was when Samuelson was a cub reporter on the *Washington Post*, building to his current eminence as economic columnist for the *Post* and *Newsweek*. It was the period when Jeffrey Madrick was earning his Harvard Business School qualifications, and embarking on his admirable career in economic journalism. It was the time when Michael Elliott, a British baby boomer, fell in love with America and its vision of plenty during his first visit in 1974. He came to Chicago to teach law, returned as a journalist for the *Economist*, and appears set on staying as a distinguished editor at *Newsweek*. (An interest should be declared here: Elliott and I are friends as well as countrymen, and he kindly lists me in his book's acknowledgments.)

Boomers have one experience in common. They grew to maturity in one kind of America, and built their careers in quite another. The fundamental fact of political-economic life in modern America is that from 1947 to 1973, median family income doubled, from \$18,099 to \$36,893 (in constant 1993 dollars). Then it stalled. Between 1973 and 1993, it rose by less than 5 percent, to \$38,364. (I rely here on the work of Lawrence Mishel and Jared Bernstein, amplifying the Census and Green Book data, and published in the Economic Policy

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Institute's *The State of Working America*. Samuelson cites roughly similar figures on page 67 of his book, again based on the Census data.)

The world's most extraordinary prosperity machine suddenly shifted into lower gear, and has, for a dismayingly large number of Americans, stubbornly stayed there. All three of our authors agree that there was no single cause for this, the formative experience of their adult lives, but they all cite the obvious factors that come to mind.

The workforce grew, with the baby boomers and the return of mass immigration and the readiness of ever more women to work. The social programs of the Great Society were imposing their growing demands on the federal budget. Inflation was distorting traditional patterns of thrift. Other countries were catching up with the technological and managerial lead America had enjoyed in the years after 1945. The opportunity advantage of the vast U.S. internal market became available to other countries, and global competition intensified. Corporate profits fell, squeezing the potential for capital investment.

Samuelson argues that business investment as a share of gross domestic product (GDP) grew in each decade from the 1950s (9.7 percent) to the 1980s (12.1 percent). Elliott insists that "America's overall investment certainly declined after 1973. The share of that investment going to research and development also declined, and the rate of growth of investment in indus-

trial equipment slowed quite markedly from a point somewhere in the mid-to-late 1970s." Madrick claims that net investment as a share of GDP was running at a puny 3 percent in 1994, compared to a robust 7 to 8 percent in the 1950s and 1960. "Overall, capital investment per

Madrick the golden age had begun after the Civil War in 1870, with annual GDP growth rates of 3.4 percent that continued for just over a century, until 1973. Then America hit the slow growth era, and GDP growth has averaged 2.3 percent since. Again, we are comparing apples and oranges. Madrick is taking about GDP growth, and Samuelson is talking about productivity.

WORKS DISCUSSED IN THIS ESSAY:

Michael Elliott, The Day Before Yesterday: Reconsidering America's Past, Rediscovering the Present (Simon & Schuster, 1996).

Jeffrey Madrick, The End of Affluence: The Causes and Consequences of America's Economic Dilemma (Random House, 1995).

Robert J. Samuelson, The Good Life and Its Discontents: The American Dream in the Age of Entitlement, 1945-1995 (Times Books, 1995).

worker rose by only 1.3 percent a year between 1973 and 1987 in America compared with 6.4 percent a year in Japan and 3.5 percent a year in Germany," Madrick adds.

Business investment, overall investment, R&D investment, capital investment—these are all different things. It is irritating to find these authors tossing around such variant statistics; it's like watching a game where a football is suddenly substituted for a basketball. Samuelson cites the Bureau of Economic Analysis data (published by the Department of Commerce). Madrick cites Data Resources, Inc. Elliott offers no footnotes or citations at all.

For Elliott and Samuelson the period of 1945-73 was exceptional, an atypical burst of speed in U.S. productivity growth. For

Though these three books are ostensibly about the same thing, they are in effect talking past one another. Madrick offers the most straightforward economic analysis, and it is also the most fatalistic. His thrust is that the post-1973 period of slow growth is the cause of America's social and political discontents. Madrick reckons that since the great deceleration of 1973 we have lost some \$12 trillion in GDP: "More than enough to have bought each of America's homeowners a new house, or paid off all our government, mortgage and credit card debt, or replaced all of our nation's factories, including capital equipment, with new ones."

Unlike Samuelson and Elliott, who concentrate on the postwar period, Madrick tries to cast the era of American exceptionalism back a century more. But all three rather glumly accept that the golden age is over, and that the United States must now learn to live within its straitened means. "Our main rival is not the rest of the world," Madrick concludes. "It is the memory of our exceptional past, when our eco-

conomic advantages made us the most productive country in every major industry. . . . Throughout our history we believed that we were a chosen people, a belief essentially sustained by our growing affluence. Now we shall see who we are without it."

Elliott offers the most succinct argument, couched in that devilish cleverness that is the inimitable voice of the *Economist*, a journal that makes up for the private griefs of British decline by being superior about everyone else. He begins by sniffing that "Americans whine." And he concludes, "Much of Americans' contemporary mood of unhappiness stems from their failure to understand how damn lucky they once were." The connective argument is much more entertaining and more subtle than those brisk and brash bookends might suggest.

Elliott believes that the U.S. should be getting back to sociopsychological normal after the wonder years of the golden age. "We shouldn't exaggerate our present discontents, but we will always do so if we think that the Golden Age was normal and the years that followed an aberration. Precisely the opposite is the case. The messy, fragmented babel of a place of today is how America has usually been." America can best address its current whining by remembering the energy and jaunty self-reliance with which its ancestors built the railroads and invested

in education and opened their ports and their political systems to all the talents.

For Elliott, the golden age was defined by the unusual power and prestige of the federal government, acting with broad public support. In by far the most readable and most ambitious of the three books, Elliott ranges from Detroit's assembly lines to the impact of the air conditioner on the South to explain the confidence in

technology. But he stresses that there was an essential new component to the golden age: Democratic government was the can-do instrument that had taken on the Great Depression, World War II, and the Cold War, and prevailed in each encounter. Ungrateful Americans then complained that their taxes were too high and that the Feds were far too intrusive. "Fifty years after FDR's death, there was a broad consensus that the cohesive role which the federal government had lately played in American life had come to an end," Elliott suggests.

Samuelson offers the most moralistic argument. He asserts that the easy affluence of postwar America developed a culture of entitlement, in which too many individuals and groups developed too many expectations and asserted too many "rights." Behind this lurked the beguiling myth of the American Dream, that the future would always be better than the present. The federal government was expected to deliver far too much, and both

the economy and American society were becoming overstrained. At times, this can sound like Bill Clinton at his most Reaganesque: "People ought to do more for themselves and expect government to do less. We need to curb our casual use of government—especially, the federal government—as the problem solver of last resort."

This flies in the face of the available evidence that the U.S. government does not really try to solve very much at all. It does rather less for its citizens than other members of the Organization for Economic Cooperation and Development. The United States offers far less strategic guidance for the economy than even, for example, Singapore, South Korea, Taiwan, or Japan, countries that have manifestly not suffered from government interference in the economy. In many ways, Americans ought to expect their government to do much more for them: to reduce the extraordinary homicide rate by tackling the promiscuous availability of firearms; to reduce shamefully Third World-like infant mortality statistics by taking public health seriously; to tackle the national scandal of the public schools, at least to the degree of ensuring that high school graduates are literate and numerate.

Samuelson can sound like a caricature of a schoolmarm: "An ethic of responsibility needs to replace an expectation of entitlement in government policies and private behavior." He can also sound at times worryingly like Senator Phil Gramm, one of those new Republican politicians whose education and career were

Americans
ought to expect
their government
to do much more
for them.

furthered by public investment, and who now suggest that all this public spending has gone too far, and that all this government meddling in our lives is doing more harm than good. To cite one example: "Affirmative action now generates more ill will than social justice. It is a bad bargain."

Closely read, the surprise of Samuelson's book is how little it sounds like the confident diagnostician of his *Newsweek* and *Washington Post* columns. As a columnist, Samuelson comes up with brisk ways to balance the budget, to puncture the pompous, and to wave aside the quibbles of politicians who have to inhabit the no-man's-land between wisdom and expedience. In book form, Samuelson is more hesitant and rather plaintive, as if writing the confessions of the impotence of the modern public thinker. Time and time again, he endearingly admits that we do not know what makes economies function as they do or how to improve them; nor do we understand the relationship between the economy and society at large.

"We can't consciously change what we don't understand, and that is a great deal. . . . No one has convincingly explained the productivity slump. . . . These trends are erratic, no one really understands them." Such intimations of fallibility are the more welcome, because when Samuelson does wax assertive, he can become intemperate. "At the close of the twentieth century, American government and politics seem almost suicidal. They compulsively generate public distrust."

Samuelson tries to argue two cases at once. As a moralist, he

wants to persuade us that as citizens we have come to expect too much, and that our politicians have pandered to us, and that we should all become more responsible. As an economist, he wants to tell us that the U.S. economy is not broken, that its deficits can be almost painlessly fixed, and that public living standards are a great deal better than most statistics reveal.

This is true. The median income statistics do not take into account bigger and more comfortable homes, a cleaner environment, and wider access to health care through insurance paid by employers or government. Still less do the raw figures adequately reflect improved quality of life, through more telephones and air conditioners and far greater choice of food and clothing. But then the income statistics do not reflect the decline in the quality of life that comes with increased crime and drug abuse. Nor do they adequately reflect the increasingly uneven way that America is these days sharing the wealth that it generates.

Perhaps the most striking feature of these three books is that they fail to pay much attention to the extraordinary disparity in outcomes for different groups of Americans over the past 20 years. These books also rather duck what some of us may identify as one of the most predominant characteristics of the golden

age after 1945: the degree to which America became an egalitarian society. The period was marked by steeply progressive income taxes, which could rise to 91 percent on income above

\$400,000 a year, and by huge investments in public goods like state-subsidized education.

Despite the rhetoric of free enterprise and the suspicion of anything that smacked of socialism, a

strong argument can be made that America in the golden age was the most successful social democracy of them all. The industrial workforce of the U.S. into the 1970s was the best-educated, best-trained, most-productive, and best-paid in the world. Union-negotiated paychecks became the locomotive that hauled the great consumer boom, as American workers moved from the cities to the suburbs, periodically bought new cars, and saved to put their children through college. One of the classic political phrases of the period was John F. Kennedy's airy assumption that everybody would do well together—"A rising tide lifts all boats." Perhaps it did then. It doesn't now.

Two fundamentals of American life have changed. In the golden age, the country barely needed to trade at all. Imports and exports were each about 4 percent of GDP in the 1960s. Last year, exports were over 12 percent of GDP, and imports even higher.

Baby boomers
grew to maturity
in one kind of
America, and built
their careers in
quite another.

From a country for whom trade was a luxury in 1968; the year Bill Clinton first went abroad, it has now become so central to the U.S. economy that this has been since 1992 a more export-dependent economy than Japan, which exports just under 10 percent of GDP. In the course of a generation, the U.S. economy has undergone a revolutionary shift.

The second fundamental shift in American life has been the slow, sad shriveling of that egalitarian principle that sustained the golden age. The steeply progressive tax system has gone. The devotion to public investments in the public good has not gone, but it has become far more problematic. The easy assumption that all members of the next generation could expect to do better than their parents has almost wholly disappeared. And at least to this outsider, Americans seem to be reinventing the class system that their ancestors wisely fled Europe to escape.

The contours of the new American class system are strikingly similar to those of Edwardian Britain. There is a small number of mega-rich, followed by a very large and comfortable upper middle class. At the bottom comes what Karl Marx called the lumpen proletariat and what we call the underclass. In the middle, a large number of the respectable poor is divided between those who fear dropping into the underclass, those who still aspire, and the vast majority who know that they are stuck in their station and suspect that their children may be stuck as well. The traditional mechanism of social mobility, the public school system, is laboring,

and the cost of a college education is soaring. At the same time, median incomes are stagnant or dropping.

Despite its gestures on behalf of the working poor and struggling middle class, the impact of the Clinton administration seems likely to intensify both these trends, toward more trade and more social stratification. Although he was building on a free trade agenda sketched out in the years of George Bush, it was Clinton who split his own party to enact the North American Free Trade Agreement, and the new GATT treaty that established the World Trade Organization. The seriousness with which he has pursued his free trading strategy, in the teeth of Democratic Party opposition, almost compels the conclusion that this is the Clinton Doctrine, the core project of his presidency.

And note the Doctrine's subtlety. Britain's Margaret Thatcher had warned at the 1990 G-7 international economic summit in Houston of the dangers of a world dividing into three competing currency blocks of the dollar, the yen, and the German mark. She feared that such economic competition would in time lead to strategic rivalry. The elegance of Clinton's economic diplomacy is to fend off such an outcome, by locking the U.S. into the heart of each of the big trading blocks. The pattern of the Clinton Doctrine is not only clear; if these free trade blocks develop according to expectations, Clinton will go down in history as the real architect of

the post-Cold War world, and of America's keystone role within its various groupings.

Free trade boosts imports and exports and leads to a larger economic pie, but it divides that pie in ways that disproportionately benefit the wealthy, the educated, the skilled, and the adaptable. It exacerbates that growing disparity, which has been marked in American income statistics since 1973, between the incomes of those with a high school diploma or less, and those with college degrees. Free trade, without an accompanying series of government measures to protect its less-equipped citizens with the education and training skills to cope with its competitive challenges, carries some ominous political baggage in its commercial wake.

In 1992, Clinton campaigned on the potential of activist government to equip the American workforce for this fray of global competition. He promised to flesh out the sparse American form of the welfare state into a more European shape with a national health insurance system, national job training, and apprenticeship schemes. These were always justified in terms of the Clinton Doctrine, part of an economic rather than a social strategy. Once he was elected, these plans went down to defeat at the hands of a nominally Democratic majority in Congress. In short, Clinton has intensified the pressure of global competition on the American workforce, while doing little to help them to adapt or to resist.

It is, of course, highly unfashionable to think in terms of class,

even as the signs of stratification hurtle upon us. Samuelson's high-minded sniffs at the way we all wallow in the entitlement troughs is not conducive to much sympathy for those who genuinely need public assistance. Madrick notices that the national wealth is being distributed in ever more partial ways, without steeling himself to draw the obvious social conclusion. Elliott, as a victim of the English social system, keeps inching toward a class analysis of modern America. "At the start of this century, as at its end, class divisions were all too evident," he says. Later, he adds that "Playing off blacks, foreign competition and immigrants, a degree of class and racial resentment would eventually develop in the white working class, of a kind and intensity unknown in the Golden Age."

Elliott points to the most dramatic feature of America's racial condition, which is the degree to which it is giving way to a pathology of class. The civil rights movement and affirmative action and innate talent have combined to produced a large black middle class, many of whose members are abandoning the inner city to move to the suburbs, just as the whites did.

Despite the efforts of the Clinton administration, it will not be easy to fit America's glorious and messy sprawl into the neat layers

of a European class system. The culture presents too little tradition of social deference, and too much celebration of self-confidence, to cooperate. Americans have traditionally been far more mobile—geographically in search of status improvement, and socially across the income bands. But these jaunty American energies are coming under unusual strains. They particularly bear down on the poor,

whose traditional ladders of advancement—from the public school system to affirmative action—are systematically being whittled away even as their real wages decline. A grisly social experiment appears to be getting under way to see just how much

pressure an underclass can take before they do something about it.

These strains are inching up the social food chain to affect the middle class, for whom a college degree has become less affordable, a job less certain, and a lifetime career more subject to dislocation. There is a psychological dimension to the current national mood of socioeconomic disquiet revealed in the opinion polls, which belie the relatively sunny official statistics of unemployment and growth in GDP and productivity. We may try to define class with objective criteria, but the essence of class is consciousness; you are what you deem yourself to be. In America of the golden age, an unprecedentedly large

proportion of the population looked with hope at the future of their country and their own family's place within it. These days, they don't. A growing number fear what the future may bring, with consistent majorities of more than 60 percent of Americans telling pollsters that the country "is on the wrong track."

There have been exceptions who have done very well during the slow-growth era. It is interesting that all three of our authors come from a profession that has grown in income, in status, and in social prominence since the golden age ended. Whether the American economy is slowing permanently or just easing back to normal after an unsustainable sprint, it has clearly become an agreeable place for the economists and media folk and others who analyze its ailments. In Edwardian days it was also fashionable for the prosperous to worry over the state of society, and to hark back to a golden age when Britain's economic dominance was unquestioned. That Edwardian era was also a time of furious growth in world trade, of a militant feminism, and of alarm at the rise of the Yellow Peril across the Pacific. It was also marked by a surge in the numbers of the elderly; as public hygiene and antiseptics produced an unprecedented demographic bulge that provoked the great political row over Lloyd George's budget to introduce Old Age Pensions. Even without the events at Sarajevo, the parallels are becoming too striking for comfort.□

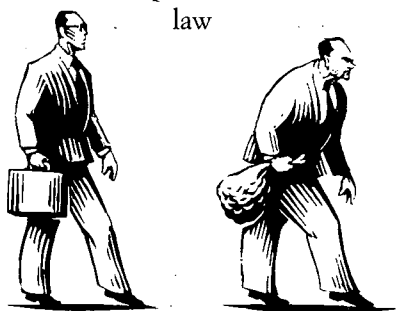
Americans
seem to be
reinventing the
old European
class system that
their ancestors
fled.

COURTSIDE DRAMA

What do you see when Michael Jordan makes a gravity-defying layup? If you're patent lawyer Robert Kunstadt, you see a new way to make money. According to the *Wall Street Journal*, Kunstadt is promoting the notion that the unique moves individual athletes pioneer deserve patent or copyright protection. Of course Kunstadt would graciously allow others to borrow the moves—so long as they purchased a licensing agreement to do so.

Yes, it's another arena for the legal profession to invade—plus quite a boon for the economy. And think of the opportunities to make spectator sports even more thrilling. Quick-on-the-draw attorneys could monitor athletic plays from the sidelines, then file requests for court-ordered injunctions halting play if an athlete borrowed a competitor's patented techniques. With court-side judges or hearing officers in attendance, judgments could be rendered in less than an hour in most cases, not counting appeals. (Guilty players could then be assessed "technicality fouls," with fines to follow.) Spectators might grumble, but they'd soon appreciate the chance to watch exciting discussions of

patent
law



on huge color television screens in their favorite arena.

DOWNSIZING ETIQUETTE

In his own variation of Teddy Roosevelt's maxim, President Clinton is talking softly and carrying a little stick by asking corporations to be nice to their workers. But if the June 10 issue of *Fortune* is any guide, such gentle proddings have yet to make an impact.

In an article headlined, "How to Fire People and Still Sleep at Night," the magazine offers handy do's and don'ts for sensitive managers: "Everyone is likely to be affected in some way," the empathetic journal says of layoffs, "but the managers who do the actual firing are often hurt the most." (Apparently, canned workers and their families don't suffer so exquisitely.) To avoid any problems, the magazine—with apparent seriousness—recommends helpful pointers to would-be hatchet men: "Never fire your father" (The reason: *you* could get fired if you try to soften the blow by giving dear old Dad extra severance pay) . . . don't fire a worker on Take Our Daughters to Work Day (it's bad PR when the father and his little tyke have to leave) . . . and don't chew out an emotionally unstable worker when you're axing him, because he might come

back and blow his (or your) brains out with a high-powered rifle.

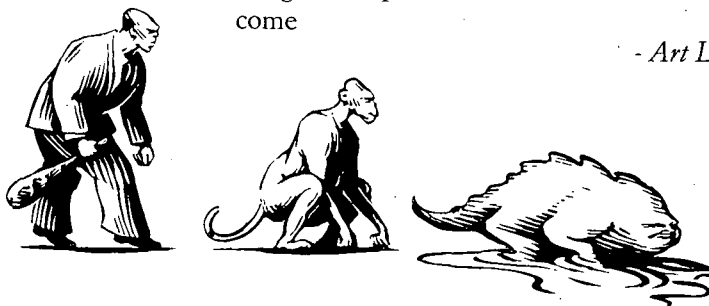
It's comforting to know business leaders are so considerate.

REINVENTING REGULATION

In the wake of the ValuJet crash, critics decried the twin roles of the Federal Aviation Administration: regulating airline safety *and* promoting the airline industry. Yet this approach embodies the slimmed-down philosophy of government so many Republicans and Democrats now champion. Instead of having two cumbersome bureaucracies, the FAA has captured the can-do, entrepreneurial spirit of "reinventing government."

Can it be long before other agencies follow suit? We look forward to a time when David Kessler, director of the Food and Drug Administration, stars in public service ads, puffing away on a Marlboro and proclaiming "These taste good like a cigarette should." The Agriculture Department could spend even less money than it does inspecting beef and more on uplifting ads showing hearty Americans chowing down on all-American red meat. The hoary concept of an agency's "conflict of interest" will, we expect, become as antiquated a notion as "the value of public service."

- Art Levine



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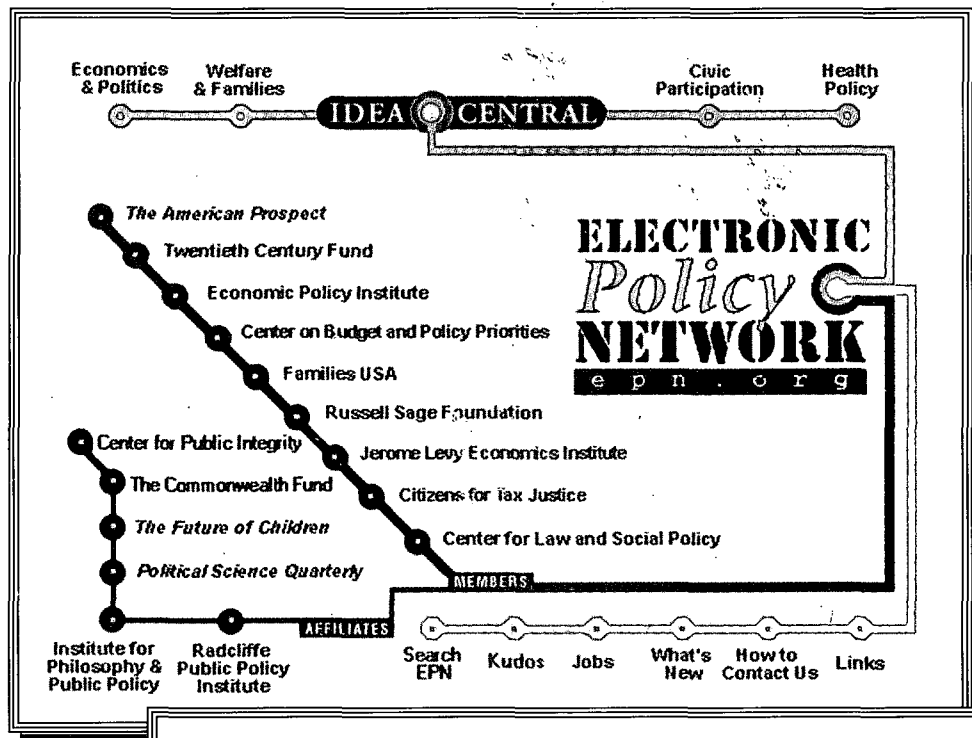
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The Health Policy Page is part of *Idea Central*, a new virtual magazine of the Electronic Policy Network.

The Health Policy Page carries new articles, reports, and other information about health care policy in America, much of the material from leading policy research and advocacy organizations. This edition focuses on Compromising (on) Medicaid?, The Battle over Medicare, Contraception and Sex Education, The Future of Children's Health, Reforming Health Care With Information Technology, and Medical Privacy Legislation. Edited by Paul Starr.

COMPROMISING (ON) MEDICAID? The National Governors Association (NGA) has unanimously proposed to Congress a compromise that, according to the Center on Budget and Policy Priorities, would likely erode the Medicaid program dramatically. The proposal would eliminate the guarantee of coverage for some vulnerable groups including poor children over age 12 and it would

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